S&P Global
Market Intelligence

Green Brick Partners, Inc. NYSE:GRBK

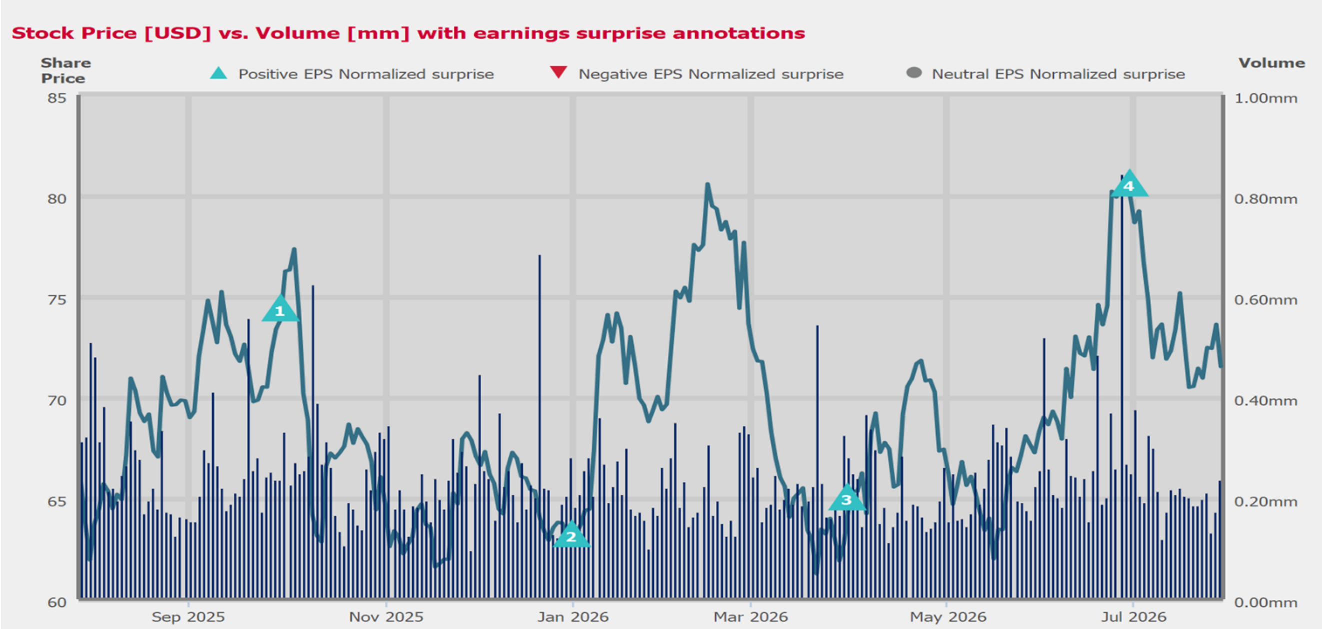
FQ2 2026 Earnings Call Transcripts

Thursday, July 30, 2026 4:00 PM GMT

S&P Global Market Intelligence Estimates

	-FQ2 2026-			-FQ3 2026-	-FY 2026-	-FY 2027-
	CONSENSUS	ACTUAL	SURPRISE	CONSENSUS	CONSENSUS	CONSENSUS
EPS Normalized	1.39	1.70	▲22.30	1.43	5.75	NA
Revenue (mm)	463.85	493.84	▲6.47	473.55	1897.35	NA

Currency: USD
Consensus as of May-18-2026 11:35 PM GMT



- EPS NORMALIZED -

	CONSENSUS	ACTUAL	SURPRISE
FQ3 2025	1.48	1.77	▲1 19.59 %
FQ4 2025	1.67	1.78	▲2 6.59 %
FQ1 2026	1.18	1.39	▲3 16.81 %
FQ2 2026	1.39	1.70	▲4 22.30 %

Table of Contents

Call Participants 3
Presentation 4
Question and Answer 8

Call Participants

EXECUTIVES

James R. Brickman
Co-Founder, CEO & Director

Jed Dolson
President & COO

Jeffery D. Cox
Chief Financial Officer

ANALYSTS

Alexander John Rygiel
Texas Capital Securities, Research Division

Jay McCanless
Citizens JMP Securities, LLC, Research Division

Rohit Seth
B. Riley Securities, Inc., Research Division

Ryan Christopher Gilbert
BTIG, LLC, Research Division

Presentation

Jeffery D. Cox
Chief Financial Officer

Good afternoon, and welcome to Green Brick Partners Earnings Call for the second quarter ended June 30, 2026. Following today's remarks, we will hold a Q&A session. As a reminder, this call is being recorded and will be available for playback.

In addition, a presentation will accompany today's webcast, which is available on the company's Investor Relations website at investors.greenbrickpartners.com. On the call today is Jim Brickman, Co-Founder and Chief Executive Officer; Jed Dolson, President and Chief Operating Officer; and myself, Jeff Cox, Chief Financial Officer.

Some of the information discussed on this call is forward-looking, including a discussion of the company's financial and operational expectations for 2026 and beyond. In yesterday's press release, the company detailed material risks that may cause its future results to differ from its expectations. The company's statements are as of today, July 30, 2026, and the company has no obligation to update any forward-looking statements it may make.

Our comments today also include non-GAAP financial metrics. The reconciliation of these metrics and the other information required by Regulation G can be found in the earnings release that the company issued yesterday and in the aforementioned presentation.

With that, I will turn the call over to Jim.

James R. Brickman
Co-Founder, CEO & Director

Thank you, Jeff.

Before I talk about second quarter results, I wanted to speak to the press release that was issued this morning announcing the promotion of Jed Dolson to Co-CEO to take place this October. One of the most important responsibilities of a Co-Founder and CEO is attracting, developing and retaining outstanding leaders. One of the greatest joys I have is recognizing talented people and sharing the credit for Green Brick's success. At Green Brick, we use acronym HOME to describe the values we expect from all employees; honest, objective, mature and efficient.

Our current President, Jed Dolson, has been with us since before we became a public company and has been a primary driver of our success. Jed has consistently demonstrated the leadership, judgment and values that have helped shape Green Brick into the company it is today. It is my profound pleasure to announce that effective October 15, Jed will join me as Co-CEO. Jed, thank you for your partnership, leadership and commitment to Green Brick. Congratulations on this well-deserved promotion. I am confident that Jed will help drive Green Brick's continued growth and will contribute to even greater success in the years ahead.

Now turning to the second quarter. I am very pleased with the strong second quarter results achieved by the Green Brick team even as affordability pressures and economic uncertainty continue to weigh on buyers. Interest rates remained elevated in the second quarter with concerns about employment growth and the cost of living dampening consumer confidence. Despite these challenges, we achieved a 19% increase in net new orders year-over-year. Our average selling community count grew 6% year-over-year to 108, and our monthly sales pace increased 10% year-over-year to 3.3. The growth in orders was driven primarily by Trophy Signature Homes as we continue to see strong demand for affordable homes targeting the first-time buyer, particularly in the DFW market, where Trophy is now the third largest builder by volume.

Sales for each month for the quarter were higher than in the same month in 2025. With this sales velocity, we were still able to attain homebuilding gross margins of 29.8%, the highest reported among our homebuilding peers. Net income attributed to Green Brick for the second quarter was $74 million or $1.70 per diluted share on total revenues of $494 million. We delivered 1,047 homes during the quarter, including our first deliveries in the Riviera Pines community in Houston. We believe our investment-grade balance sheet and low financial leverage provide us with the flexibility to navigate and take advantage of evolving market conditions and seize on opportunities when prudent.

At the end of Q2, our homebuilding debt to total capital ratio was 11.2%, and our net homebuilding debt to total capital ratio was 6.1%, among the lowest of our homebuilding peers. We grew book value 16% year-over-year to $44.82. We remain highly disciplined in how we control and purchase land, which remains the primary driver of our industry-leading margins. One of the primary differentiators from many of our peers is that we do not engage in high interest cost land banking relationships that can distort a builder's economic leverage and risk and that can give a land banker indirect control over a builder's lot purchase timing.

At the end of the second quarter, 76% of our approximately 52,000 lots are owned. We currently have 3,300 lots owned or under contract and 4 joint ventures with other homebuilders or landowners. These joint ventures account for 6% of our total lots owned and under contract and only 3% of our total assets. These joint venture arrangements are evaluated with the same underwriting criteria as our other land investments to ensure that we remain focused on attractive risk-adjusted returns and improving shareholder value. We have always believed that a self-development focused strategy provides us with better control in determining the pace of land and lot deliveries and higher margins and returns.

We generated operating cash flows of $117 million over the last 12 months while continuing to invest significantly in land acquisition and development to position us for future growth. We also returned $39 million to shareholders through stock repurchases. Even with our land-heavy balance sheet and macroeconomic headwinds, our return on assets for the second quarter was 11.8%, while the median return on assets of our homebuilding peers was 4.7%. Our return on equity for the quarter was 16% as our returns remain among the very best of our public homebuilding peers. Our disciplined return-focused approach and our experienced team of operators position us well for value creation.

Green Brick Mortgage continues to grow rapidly with funded loans up 257% year-over-year and 43% sequentially. 65% of Green Brick Mortgage loans in the second quarter were to first-time homebuyers. Second quarter revenues in our financial services segment increased to $12 million compared to $6.3 million in the second quarter of 2025. And pretax income from our financial services segment increased year-over-year by 91% in Q2 to $5.7 million.

One of our most important growth drivers remains Trophy Signature Homes. Trophy continues to strengthen its position in DFW while building momentum in Houston and Austin. Trophy's ability to deliver affordably priced homes, supported by an efficient land and construction platform, provides us with a runway for growth over the next few years. This expansion allows us to continue serving the critical first-time and first move-up buyer segments while further diversifying our revenue base and strengthening our presence in key Texas markets.

Our strategy is built around disciplined capital allocation, local market expertise, operational excellence and a long-term focus on returns. Our builders manage each community with discipline and diligence to ensure pace, price and inventory levels meet our buyers' demand and maximize returns for our shareholders. Although current market conditions remain challenging, those principles continue to guide our decision-making, generating sustainable returns and position us to capitalize on opportunities as they emerge. While near-term housing conditions present headwinds for the entire industry, we are encouraged by the resilience of demand in many of our communities and by the strength of our operating platform and land and lot positions in high-demand markets.

Our focus remains unchanged; growing book value, generating attractive returns and prudently investing capital where we see the greatest long-term opportunity. With this approach and our underlying financial strength, we also believe we remain able to pivot and adjust to market conditions as they evolve.

With that, I now turn it over to Jeff to provide more detail regarding our financial results.

Jeffery D. Cox
Chief Financial Officer

Thank you, Jim.

Net income attributable to Green Brick for the second quarter decreased 9.5% year-over-year to $74 million and diluted earnings per share decreased 8% year-over-year to $1.70 per share. We delivered 1,047 homes during the quarter and generated home closings revenue of $472 million, resulting in an average sales price of $450,000. While deliveries were essentially unchanged from the same period last year, home closings revenue declined 11.4% due primarily to a higher mix of deliveries from our Trophy Signature Homes brand. Notably, 55% of our Q2 closings were sold during the quarter, driven largely by the growth of Trophy. Discounts and incentives as a percentage of home closings revenue increased year-over-year by 180 basis points to 8.8% from 7%. As a result, our homebuilding gross margins decreased 150 basis points year-over-year, but increased 90 basis points sequentially to 29.8%.

During the quarter, we reduced our warranty reserve by $2.7 million, which improved gross margins by 60 basis points for the quarter. Our actual warranty spend was less than expected due to a continued focus on improving construction quality and maintaining a stable base of quality trade partners. Net new home orders during the quarter were 1,079, up 19% year-over-year. Order growth was driven by both higher community count and improved sales pace. Average active selling communities of 108 were up 6% year-over-year, and our sales pace for the second quarter increased by 10% to 3.3 per month compared to 3 per month in the previous year.

Backlog at the end of the quarter was 681 units with backlog revenue of $387 million, a 24% decrease year-over-year. Trophy Signature Homes continued to gain backlog share in the quarter, representing 44% of our backlog units compared to 26% in Q2 of 2025. As a result of the increased mix of Trophy orders in our backlog, along with continued elevated discounts and incentives across all of our brands, the average sales price of our backlog decreased 18% to $569,000. Due to strong sales in the quarter, we started 1,133 new homes, an increase of 19% year-over-year and 16% sequentially.

Units under construction at the end of the quarter were 2,205, flat year-over-year and up 4.1% sequentially as we increased starts to align with our sales pace. We ended the quarter with 410 completed specs, an average of 3.8 per community. We will continue to monitor market conditions and seasonal trends and align our starts with our sales pace to appropriately manage our investment in spec inventory. Our goal is to maintain approximately 1 to 2 months of supply of completed specs in our communities.

Our SG&A expenses declined 5% year-over-year during the quarter. However, as a percentage of residential units revenue, SG&A increased 60 basis points to 11.3%, primarily due to lower home closings revenue. We repurchased approximately 143,000 shares of our common stock for $9.4 million during the quarter. With $151 million remaining in authorized share repurchases, we will continue to repurchase shares opportunistically as part of our disciplined capital allocation strategy and efforts to return value to our shareholders.

At June 30, we had total liquidity of $462 million, including cash of $132 million with no outstanding borrowings on our $330 million unsecured revolving credit facility. Total debt, excluding our warehouse facilities, was $252 million with $75 million of senior notes maturing in the next 12 months. Our low homebuilding debt to capital of 11.2% and net homebuilding debt to capital of 6.1% remain among the lowest of public homebuilders.

We believe we are well positioned to weather the challenging market conditions and ongoing volatility to opportunistically deploy capital to maximize shareholder returns and to accelerate growth as the housing market improves.

With that, I will now turn it over to Jed.

Jed Dolson
President & COO

Thank you, Jeff.

Before discussing our operational results, I want to take a moment to express my sincere appreciation to our Board for the confidence reflected in my upcoming appointment as Co-CEO. I would also specifically like to thank Jim for the opportunity to join Green Brick and for the mentorship, partnership and guidance provided by him over the past several years. Green Brick's success is built on the strength and commitment of an exceptional team and a disciplined long-term vision. I am honored to work alongside Jim and the entire Green Brick team as we continue to build on this strong foundation and create lasting value for our shareholders, homebuyers and employees in the years to come.

We continue to see a challenging sales environment within all our consumer segments, but we are encouraged by the positive response we've seen from first-time homebuyers who are most impacted by the affordability challenges. Our team responded well to these conditions as evidenced by our strong second quarter sales volume and low cancelation rates of 7.8% during the quarter, which continue to be one of the lowest cancelation rates among our public homebuilding peers. We believe it demonstrates the quality of our product, desirability of our communities and creditworthiness of our buyers.

Rate buydowns remained a necessary tool to drive traffic and sales, especially with the first-time homebuyers and quick move-in homes. We helped address the affordability challenges faced by many consumers by providing our homebuyers with price concessions, interest rate buydowns and closing cost incentives. Incentives were 9.1% on net new orders during the quarter, an increase of 120 basis points year-over-year, although a decrease of 20 basis points from the prior quarter. We remained focused on maximizing community level returns by balancing pace, pricing, product mix and inventory levels. The strength of our margins provides flexibility, but pricing decisions remain grounded in expected returns.

We are also excited about the progress of our wholly owned mortgage company. During the second quarter, Green Brick Mortgage closed and funded 521 loans. The average FICO score for the quarter was 736, and the average debt-to-income ratio was 40%, consistent with the previous quarter. Our capture rate was 66% for the quarter. We are focused on increasing our capture rate in our Texas communities, and we continue to expect to roll out Green Brick Mortgage to the Providence Group, our Atlanta builder in the latter part of 2026. Our mortgage team continues to focus on maturing the platform with new technology initiatives to improve efficiency and enhance customer service. As Green Brick Mortgage continues to expand its service, we anticipate by year-end, its capture rate will exceed 70%, which should generate additional revenue as we increase the number of loans funded through our mortgage company.

We continue to reduce our average construction cycle times, which are down 29 days from a year ago to 124 days. Trophy cycle time in Dallas-Fort Worth was 84 days compared to 103 days a year ago, the lowest in their history and a testament to the efficiency and quality of our construction teams and trade partner base. While we continue to monitor potential impacts from recently announced Canadian tariffs and other trade actions, we have not experienced a material impact on our construction cost to date.

We continue to invest our land book to position ourselves for future growth. Year-to-date, our investments in land, lots and development totaled $363 million, including $197 million for land development, excluding reimbursements and $166 million for land and lot acquisition. For 2026, we expect land and lot acquisitions of approximately $400 million and land development outflows of approximately $450 million, excluding reimbursements.

We believe our superior land position provides a competitive advantage that will be the foundation for strong growth in future years. Approximately 40,000 more lots are owned with approximately 12,000 under contract. Approximately 80% of our total lots owned and under contract are allocated to Trophy Signature Homes. Excluding approximately 30,000 lots expected in future phases within our long-term master planned communities, our lot supply is approximately 5 years. With approximately 52,000 lots owned and under contract, we remain patient and selective with future land opportunities without compromising the ability to grow our business in the near and intermediate term.

With that, I will turn it over to Jim for closing remarks.

James R. Brickman
Co-Founder, CEO & Director

Thank you, Jed.

In closing, we remain confident in our long-term outlook and our ability to deliver excellent operational and financial results. Our land strategy, diversified product portfolio and strong balance sheet continue to differentiate Green Brick from our peers and support attractive returns for our shareholders over the longer term. Like the rest of our industry, we continue to navigate a challenging environment, but I am hopeful that the market is starting to find more stable footing and normalization. I believe that 2026 will be a year that we lay a foundation so we can execute our strategy and accelerate our growth in the coming years. With all of these challenges, I would like to recognize our team for their disciplined execution and resilience successfully navigating this market. Our results would not be possible without their focus, leadership and commitment.
This concludes our prepared remarks, and I'll now open the line for questions.

Question and Answer

Operator

[Operator Instructions] And your first question comes from the line of Rohit Seth with B. Riley Securities.

Rohit Seth
B. Riley Securities, Inc., Research Division

Jeff, in prior quarters, you broke out the ASP and margin move between the rate buydowns and Trophy. Gross margin was up about 90 bps sequentially. And if you can give us the puts and takes on that improvement.

Jeffery D. Cox
Chief Financial Officer

Seth, this is Jeff. We -- as far as average sales pace goes between the brands, Trophy did a tremendous job of executing this last quarter. Our average, as you know, was 3.3 during the quarter sales per month, and Trophy was about double that. So they were just over 6, in particular, in the DFW market. We're still getting some traction in Houston having had our first deliveries there this quarter. And Austin is really starting to find its traction as well. So we're really encouraged by what we're seeing with Trophy there.

As far as the margin goes, I would say Trophy is right in line with the company average. They pretty much kind of define our average at this point. Collectively, across the 3 markets where we offer Trophy, they made up 60% of our deliveries. And so they're really just kind of the driving force behind margins.

Rohit Seth
B. Riley Securities, Inc., Research Division

Okay. And then on the capture rate, you're rolling out the financial services, it looks like in the Q2, the capture rate is about 66% and you want to get to 70% to 80%. Is that all coming through the Providence Group? Or is Texas fully penetrated? Just any color there.

Jeffery D. Cox
Chief Financial Officer

Yes. We were still in the process of rolling the mortgage company out to the rest of our Texas markets. our plan is to still enter Atlanta here by the end of the year, and we're tracking with that. But we're encouraged by the capture rate that we've got. We do think that there's some opportunity to improve it, especially as we enter into some of these newer markets. The thing that's really helped us out in particular, is really just the builder forward commitments that we've been able to offer there to help buy the rates down, especially with Trophy and our first-time homebuyer product. And I think that will continue to hold here as long as rates continue to be elevated.

Rohit Seth
B. Riley Securities, Inc., Research Division

Okay. And if I could squeeze in the last one. Rates have moved up here in July. Can you provide us some color on maybe how traffic has responded so far?

James R. Brickman
Co-Founder, CEO & Director

Yes, I can take this. This is Jim Brickman. It's spotty and it's really surprising. I'll be candid with you, Florida, Riviera Beach market is usually in the doldrums this time of year, and we really had a great month of sales in July there. On the other side of the coin, Atlanta, which has usually been pretty steady month-to-month, quarter-to-quarter relative to our other markets has been very slow in July. And so I think the best word is spotty, and we're watching it closely. But overall, we're still seeing that there's -- particularly in the Trophy brand that there is tremendous buyer demand as long as we can provide a favorable pricing and product.

Operator

Your next question comes from the line of Ryan Gilbert with BTIG.

Ryan Christopher Gilbert
BTIG, LLC, Research Division

Jed, congrats on the promotion, very well deserved.

Jed Dolson
President & COO

Thank you.

Ryan Christopher Gilbert
BTIG, LLC, Research Division

First question is on homes under construction. It looks like it was flat year-over-year despite a pretty nice pickup in absorption pace in the quarter. So I'm wondering if you guys could just talk about what you would need to see in the market to move homes under construction higher, accelerate starts pace even more than what you saw in the quarter?

Jed Dolson
President & COO

Yes. This is Jed. Jeff mentioned, I believe I mentioned as well in my comments that cycle times have come down. So we feel like we're keeping -- it's not taking long to build these houses. So we're keeping the inventory levels, especially the finished inventory levels where we want them.

Ryan Christopher Gilbert
BTIG, LLC, Research Division

Okay. Got it. And then second question on gross margin, up 80 bps sequentially, but it sounds like your incentives were down 130 bps sequentially, and maybe there was some warranty benefit in the quarter as well. So I'm hoping you could talk about some of the offsets that led to the 80 bps improvement in gross margin relative to what you were able to do in incentives. Was it direct costs, land cost inflation? Any color would be helpful.

Jed Dolson
President & COO

Yes. I would say the biggest driver in gross -- everybody wants to look at gross margin like it's static. Well, if you overlay what the interest rate was that quarter or that month and then what the buydowns were that that's not static. And so on FHA, we began the year around 6%, and we're at 6.4-ish today. So that's a much bigger buydown cost for us there. As far as just general sticks and bricks, we continue to see sticks and bricks come down, labor come down in costs with the exception of lumber, which has risen this year.

On the lot cost, land cost question, one of the things that we're I think, going to get tailwinds from, particularly relative to our peers is that our land and lot cost is pretty flat, might go up slightly. There's 2 reasons for that. One is we don't land bank. We don't have a high cost of capital being capitalized or borrowed into our land and lot costs. And the other is that just the way that we underwrite our larger land development deals, we assume our undeveloped lot cost doesn't inflate even on some communities that are 8- and 10-year large communities. So hopefully, in the future, we could still see some margin lift because of our low amount of capitalized interest and our lot cost basis is very favorable going forward.

Operator

Your next question comes from the line of Alex Rygiel with Texas Capital.

Alexander John Rygiel
Texas Capital Securities, Research Division

Could you speak to average selling price? Is $450,000 sort of the new norm? Or directionally, should we expect that number to tick up or tick down?

James R. Brickman
Co-Founder, CEO & Director

Directionally, it's going to tick down. This is Jim, because, again, Trophy is growing much faster than all of our other businesses. Pretty much of our other businesses are not growing. They're flat and Trophy is growing quite rapidly and Trophy's average sales price in many of the new communities that we're opening is $325,000-ish. So you're adding a lot of $325,000 homes and you're at $450,000 now, that number is going to go down.

Jeffery D. Cox
Chief Financial Officer

And I'll just add on, this is Jeff. To Jim's point, as we continue to grow Trophy, especially in these newer markets like Austin and Houston, there is a bigger difference in average sales price in those markets as you compare it to DFW. So mix will certainly be a large impact going forward.

Alexander John Rygiel
Texas Capital Securities, Research Division

And then any comments on community growth in the second half of the year?

Jeffery D. Cox
Chief Financial Officer

Nothing specific, but as we guided last time that we believe community count will continue to increase towards the end of this year. And we haven't had any reason to believe it will be any different at this point.

Operator

Your next question comes from the line of Jay McCanless with Citizens Bank.

Jay McCanless
Citizens JMP Securities, LLC, Research Division

Jed, congrats from me as well. Several of your peers on their conference calls have recently talked about underwriting for first move-up, maybe second move-up land coming in more favorably than entry-level lots at this point. Are you guys seeing the same thing for some of the new deals you're looking at? And if not, maybe just talk about why entry-level land is still penciling well versus where it has historically?

James R. Brickman
Co-Founder, CEO & Director

Yes. This is Jim. Really, it's a tale of 2 cities. I think you're seeing D location land and C location land actually depreciating. The A location land is still in high demand because it produces higher margins. It's more expensive. And we don't see that stopping really. We would rather pay up for an A location land than buy a C location land that we think we're getting a really good deal on. I think some of our competitors feel the same way. But I think our real strategic advantage versus some of our peers is that we have the ability to entitle, which takes a lot of work and put larger, more complicated land deals together. And these deals can be longer life communities. Land bankers don't go after this asset class because they like 3-year deals. And really, that's kind of our sweet spot. They're complicated. They have a lot of moving parts from entitlement to land development. The land planning requires a lot more work and upfront capital. And really, those are deals we're going to continue to pursue.

One of the things I find really curious is I listened to all of our peers' call and with the exception of one nationally known, well-recognized premier higher-end builder, very few builders ever talk about creating communities that people want to live. And our focus is on creating affordable master planned communities where people want to live today and tomorrow. And you just don't hear that very much. And we are not hesitant at all to spending $8 million on upgraded amenity center, pools, landscaping in a community. And really, a lot of our peers are reluctant to do that because they can't amortize those front-end costs over a great number of lots. So we're going to continue to grow our affordable master planned communities, and I think it's really going to help Jed, as my Co-CEO, really grow the business.

Jay McCanless
Citizens JMP Securities, LLC, Research Division

Great. The second question I had, you were talking about Trophy and entry-level demand being very strong. But with several of your peers trying to flex more into move-up housing and to-be-builts, is there an opportunity for some of this land you already have either in-house or under contract for Trophy to maybe pivot some of that to take advantage of what seems to be a little bit better demand in some markets for move-up and to-be-built homes?

James R. Brickman
Co-Founder, CEO & Director

Yes, we are doing that in our larger communities and one of the advantages we have is that we can bifurcate the market. And we're looking at a very large land deal right now that we've been working on for a very long time and Centre Living Homes may do 1-acre product. Southgate Homes may do $800,000 product. Trophy Signature Homes may do $400,000 product. So we're going to -- we are going to address all these markets. And fortunately, we can do it with all of our existing brands that have really a good reputation in our markets.

Jay McCanless
Citizens JMP Securities, LLC, Research Division

That's great. And then if I could just, on Atlanta, and I think this is the second quarter in a row where you talked about Atlanta maybe being a little softer. Is that a function of H-1B buyers? Or what's going on there? And what do you think -- how do you get that turned around in Atlanta?

Jed Dolson
President & COO

Yes. This is Jed. I think it's twofold. I think there's definitely some cultural buyer headwinds there because of the visa issues. And then in Atlanta, we don't provide entry-level housing. So our ASP in Atlanta is in the right around $700,000. And so we're kind of -- we're not luxury, but we're not entry-level either. We're in a second time move-up. And so it's -- that market has been tougher.

Jay McCanless
Citizens JMP Securities, LLC, Research Division

Right. And then I guess, but the last one I had with rates moving up for most of July, have you all been able to hold -- I think you said the incentive rate was about 9-and-change on orders for this quarter. Is it still trending that way in July? And if rates continue to move higher from there, do you think it's going to have to flex up?

Jed Dolson
President & COO

I'll answer it this way. I don't think the buy -- because rates go up, I don't think the buyer is going to say, okay, I'll go up a quarter rate -- a quarter point on what I think my buydown rate should be. They're going to hold us. And so it's going to be like the cost will be borne by us.

Operator

[Operator Instructions] There are no further questions. I will now turn the conference back over to Jim Brickman, CEO, for closing remarks.

James R. Brickman
Co-Founder, CEO & Director

Well, thank you for attending our call. If anybody wants additional information, our team is available to talk to you at any time. And even better, we hope you come to Dallas, Atlanta or any of our markets and see what we're doing because I think you'll be able to tell a difference. Thank you.

Operator
Ladies and gentlemen, that concludes today's call. Thank you all for joining. You may now disconnect.