

LGI Homes, Inc.
Form 10-Q
May 10, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended March 31, 2016

OR

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____
Commission file number 001-36126

LGI
HOMES,
INC.
(Exact
name of
registrant
as
specified
in its
charter)

Delaware 46-3088013
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

1450 Lake Robbins Drive, Suite 430, The Woodlands, Texas 77380
(Address of principal executive offices) (Zip code)
(281) 362-8998
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of May 6, 2016, there were 20,429,694 shares of the registrant's common stock, par value \$.01 per share, outstanding.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

LGI HOMES, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

	March 31, 2016 (Unaudited)	December 31, 2015
ASSETS		
Cash and cash equivalents	\$ 47,574	\$ 37,568
Accounts receivable	13,769	17,325
Real estate inventory	561,010	531,228
Pre-acquisition costs and deposits	9,262	7,001
Property and equipment, net	1,991	2,108
Other assets	7,278	11,238
Goodwill and intangible assets, net	12,173	12,234
Total assets	\$ 653,057	\$ 618,702
LIABILITIES AND EQUITY		
Accounts payable	\$ 20,480	\$ 24,020
Accrued expenses and other liabilities	42,866	40,006
Deferred tax liabilities, net	3,120	2,726
Notes payable	323,102	304,561
Total liabilities	389,568	371,313
COMMITMENTS AND CONTINGENCIES		
EQUITY		
Common stock, par value \$0.01, 250,000,000 shares authorized, 21,429,694 shares issued and 20,429,694 shares outstanding as of March 31, 2016 and 21,270,389 shares issued and 20,270,389 shares outstanding as of December 31, 2015	214	213
Additional paid-in capital	179,974	175,575
Retained earnings	99,851	88,151
Treasury stock, at cost, 1,000,000 shares	(16,550)	(16,550)
Total equity	263,489	247,389
Total liabilities and equity	\$ 653,057	\$ 618,702

See accompanying notes to the consolidated financial statements.

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LGI HOMES, INC.
 CONSOLIDATED STATEMENTS OF OPERATIONS
 (Unaudited)
 (In thousands, except share and per share data)

	Three Months Ended	
	March 31,	
	2016	2015
Home sales revenues	\$ 162,463	\$ 120,690
Cost of sales	121,094	89,228
Selling expenses	14,091	11,582
General and administrative	9,952	8,205
Operating income	17,326	11,675
Other income, net	(503)	(46)
Net income before income taxes	17,829	11,721
Income tax provision	6,129	4,019
Net income	\$ 11,700	\$ 7,702
Earnings per share:		
Basic	\$0.58	\$0.39
Diluted	\$0.57	\$0.33
Weighted average shares outstanding:		
Basic	20,288,619	19,851,686
Diluted	20,461,073	23,808,813

See accompanying notes to the consolidated financial statements.

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LGI HOMES, INC.
 CONSOLIDATED STATEMENT OF EQUITY
 (Unaudited)
 (In thousands, except share data)

	Common Stock		Additional	Retained	Treasury	Total
	Shares	Amount	Paid-In Capital	Earnings	Stock	Equity
BALANCE—December 31, 2015	21,270,389	\$ 213	\$ 175,575	\$ 88,151	\$(16,550)	\$247,389