



Investor Presentation

Q2 | 23

FORWARD-LOOKING STATEMENTS

This presentation may include “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Although Forestar believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. Factors that may cause the actual results to be materially different from the future results expressed by the forward-looking statements include, but are not limited to: the effect of D.R. Horton’s controlling level of ownership on us and the holders of our securities; our ability to realize the potential benefits of the strategic relationship with D.R. Horton; the effect of our strategic relationship with D.R. Horton on our ability to maintain relationships with our customers; the impact of COVID-19 on the economy and our business; the cyclical nature of the homebuilding and lot development industries and changes in economic, real estate and other conditions; the impacts of weather conditions and natural disasters; health and safety incidents relating to our operations; supply shortages and other risks of acquiring land, construction materials and skilled labor; competitive conditions in our industry; our ability to achieve our strategic initiatives; continuing liabilities related to assets that have been sold; the impact of governmental policies, laws or regulations and actions or restrictions of regulatory agencies; the cost and availability of property suitable for residential lot development; general economic, market or business conditions where our real estate activities are concentrated; our dependence on relationships with national, regional and local homebuilders; our ability to obtain or the availability of surety bonds to secure our performance related to construction and development activities and the pricing of bonds; obtaining reimbursements and other payments from governmental districts and other agencies and timing of such payments; our ability to succeed in new markets; the conditions of the capital markets and our ability to raise capital to fund expected growth; our ability to manage and service our debt and comply with our debt covenants, restrictions and limitations; the volatility of the market price and trading volume of our common stock; our ability to hire and retain key personnel; the impact of significant inflation, higher interest rates or deflation; and the strength of our information technology systems and the risk of cybersecurity breaches and our ability to satisfy privacy and data protection laws and regulations. Additional information about issues that could lead to material changes in performance is contained in Forestar’s annual report on Form 10-K and its most recent quarterly report on Form 10-Q, both of which are or will be filed with the Securities and Exchange Commission.

In addition to providing results that are determined in accordance with GAAP, we present EBITDA and Adjusted EBITDA, which are non-GAAP financial measures. These measures are not considered measures of financial performance or liquidity under GAAP, and the items excluded therefrom are significant components in understanding and assessing our financial performance or liquidity. These measures should not be considered in isolation or as alternatives to GAAP measures such as net income attributable to Forestar Group Inc., cash provided by or used in operating, investing or financing activities or other financial statement data presented in the financial statements as an indicator of our financial performance or liquidity.

Non-GAAP financial measures as reported by us may not be comparable to similarly titled metrics reported by other companies and may not be calculated in the same manner. These measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. Reconciliations of such non-GAAP measures to the most directly comparable GAAP measure and calculations of the non-GAAP measures are set forth in the appendix of this presentation.

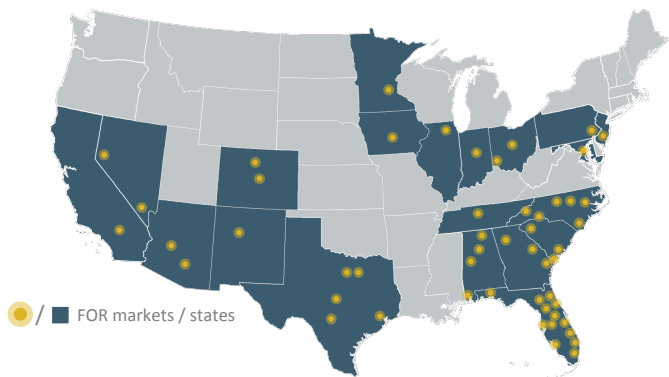
FORESTAR OVERVIEW



FORESTAR

Forestar Group Inc. (“Forestar” or “FOR”) is a highly differentiated, pure-play, residential lot developer for the affordably-priced single-family home market

Operations in 52 markets across 20 states⁽¹⁾



(1) As of 3/31/23



RETURNS FOCUSED

Track record of solid operational results



PRUDENT

Fully-entitled projects with short durations



DISCIPLINED

Investing capital across a diverse, national footprint which mitigates risk



STRATEGIC

Strong relationship with D.R. Horton, the nation's largest homebuilder



EFFICIENT

Capturing market share while maintaining a low overhead model



STRONG LIQUIDITY

Balance sheet provides financial and operational flexibility



LEADERSHIP

Proven management team with significant land development experience



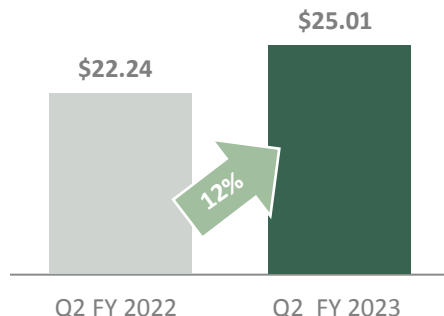
FORESTAR ³

Q2 FY 2023 FINANCIAL HIGHLIGHTS

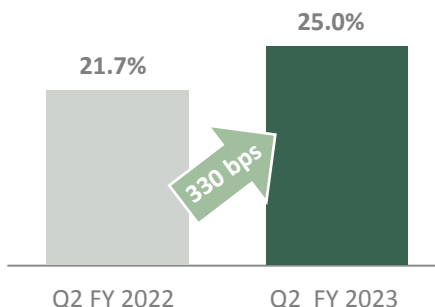
Solid execution during a market transition

- Generated \$302 million of revenues and \$27 million of net income on 2,979 lots sold
- Pre-tax profit margin of 11.9%
- Total liquidity increased 12% to \$654 million
- Real estate book value of \$2.0 billion
- Return on equity⁽¹⁾ of 11.7% and return on inventory⁽²⁾ of 9.1%

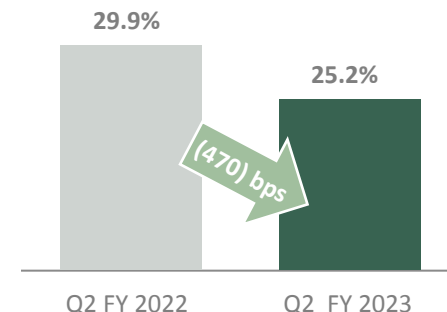
Book Value per Share



Gross Profit Margin⁽³⁾



Net Debt / Total Capital⁽⁴⁾



\$ in millions

Note: All comparisons are to the prior year quarter

(1) Return on equity is calculated as net income attributable to Forestar for the trailing twelve months divided by average stockholders' equity, where average stockholders' equity is the sum of ending stockholders' equity balances of the trailing five quarters divided by five

(2) Return on inventory is calculated as pre-tax income for the trailing twelve months divided by average real estate, where average real estate is the sum of ending real estate balances of the trailing five quarters divided by five

(3) Excludes non-cash real estate impairment charges to cost of sales of \$3.8 million and \$19.4 million during Q2 FY 2022 and Q2 FY 2023, respectively

(4) Net debt to capital is calculated as debt net of unrestricted cash divided by debt net of unrestricted cash plus stockholders' equity

FORESTAR SUPPLIES THE FIRST INPUT TO BUILDING A HOME

Key Components to Building a Home:

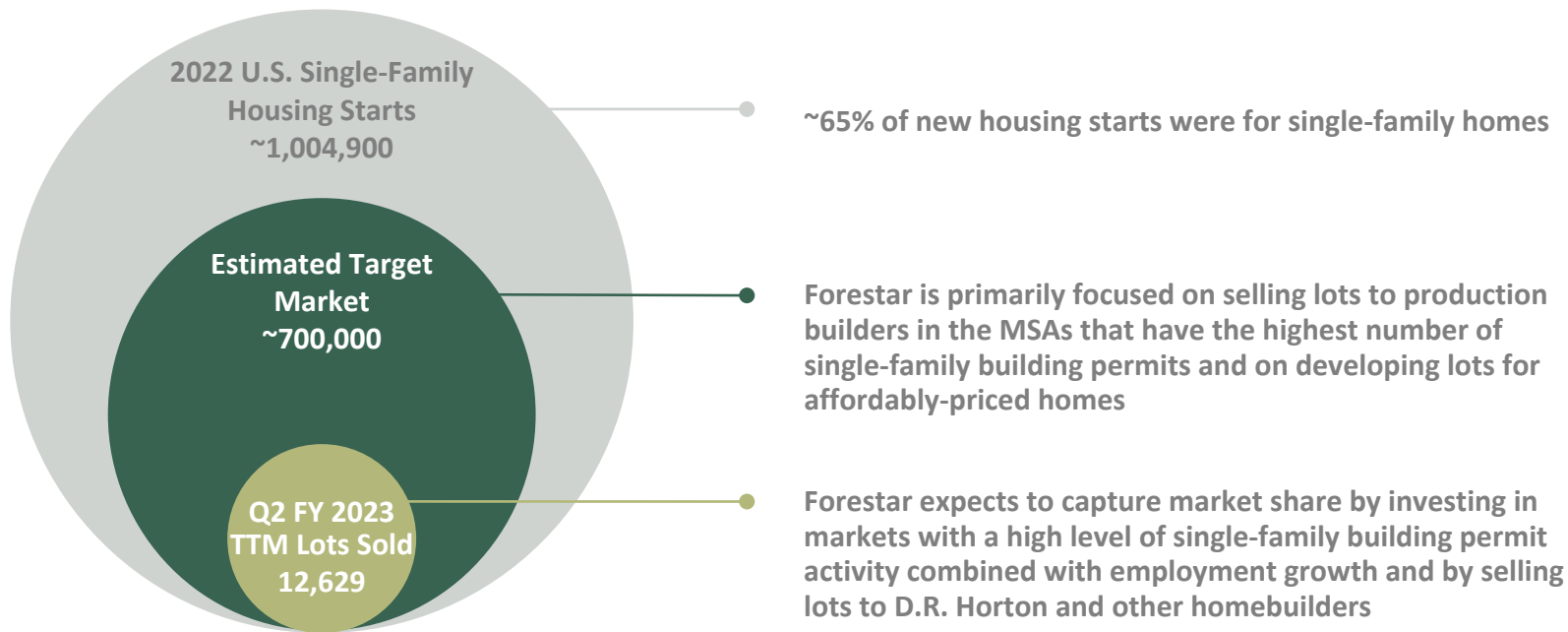
- **Finished Lot (~20-30% of ASP)**
- Concrete
- Lumber
- Roofing materials
- Siding / Brick
- Windows
- Insulation
- HVAC / Plumbing / Electrical
- Cabinets / Flooring / Paint
- Appliances



Note: ASP refers to the average sales price of a home

THE MARKET OPPORTUNITY

As the leading pure-play residential lot supplier in the nation, Forestar has become a reliable source for finished lots and will continue to gain market share

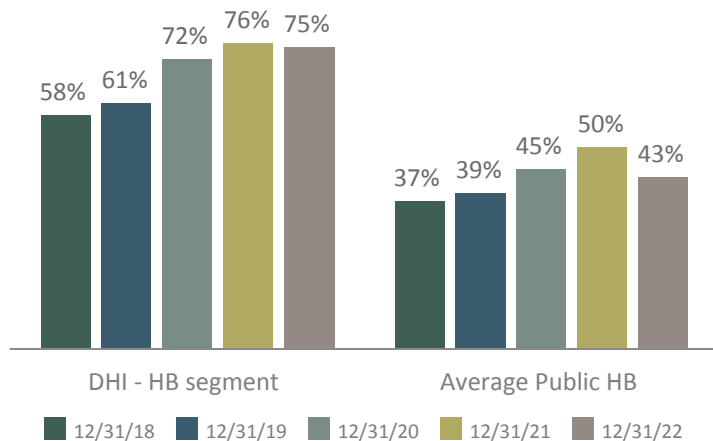


Source: Census and internal estimates

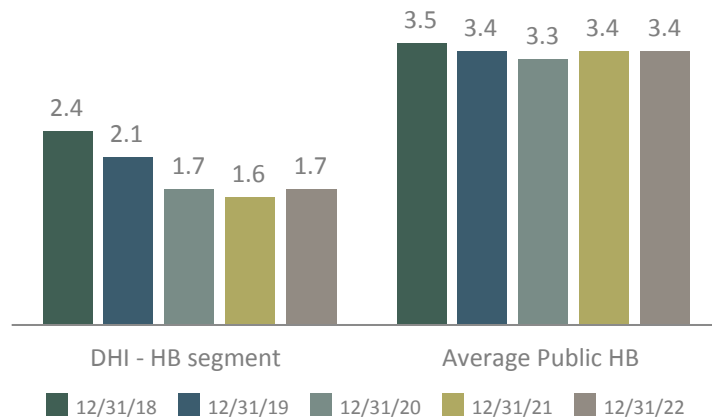
UNIQUELY POSITIONED TO PROVIDE FINISHED LOTS

Builders' preference for 'land lighter' models enhances opportunity, and in times of economic uncertainty, many homebuilders shift their land strategies to slow raw land purchases and focus on purchasing finished lots

Optioned Land/Lot Position as a
% of Total Owned & Controlled



Number of Years of Owned Land
Based on TTM Closings



Source: FactSet and respective Company SEC filings

Notes: Average Public Homebuilder (HB) data represents the land and lot positions of LEN, PHM, TOL, NVR, MTH, MDC, TMHC, TPH, LGIH and KBH

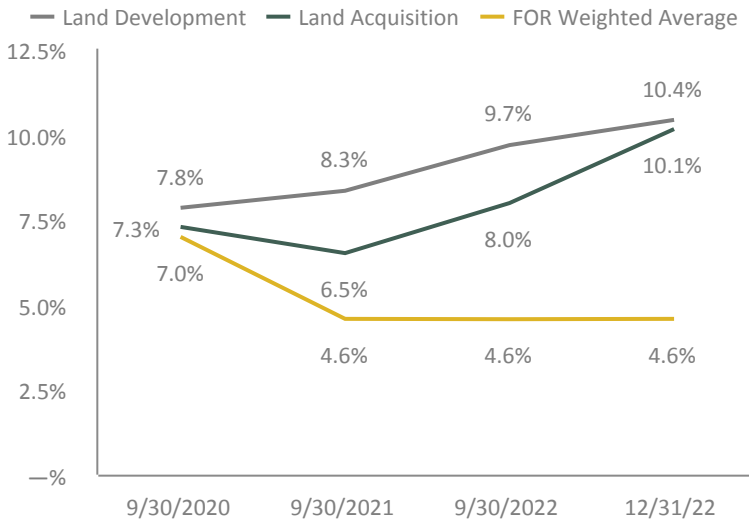
For LEN and KBH, data is as of the periods ended 11/30

For TOL, data is as of the periods ended 1/31

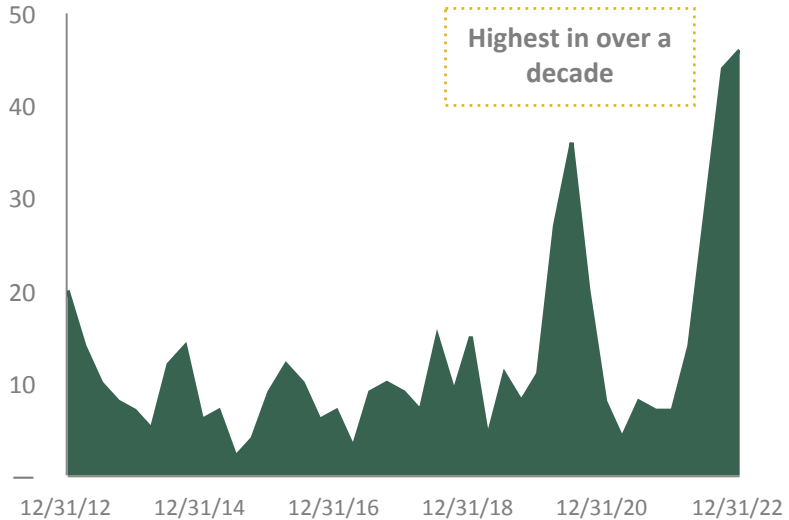
PROJECT-LEVEL LAND DEVELOPMENT FINANCING SNAPSHOT

According to NAHB’s Survey on Acquisition, Development & Construction Financing, credit continued to become less available and more expensive on loans for acquisition and development in the fourth quarter of 2022

Effective Interest Rate of Financing



Percent of Respondents Saying Land Development Loan Availability is Worse

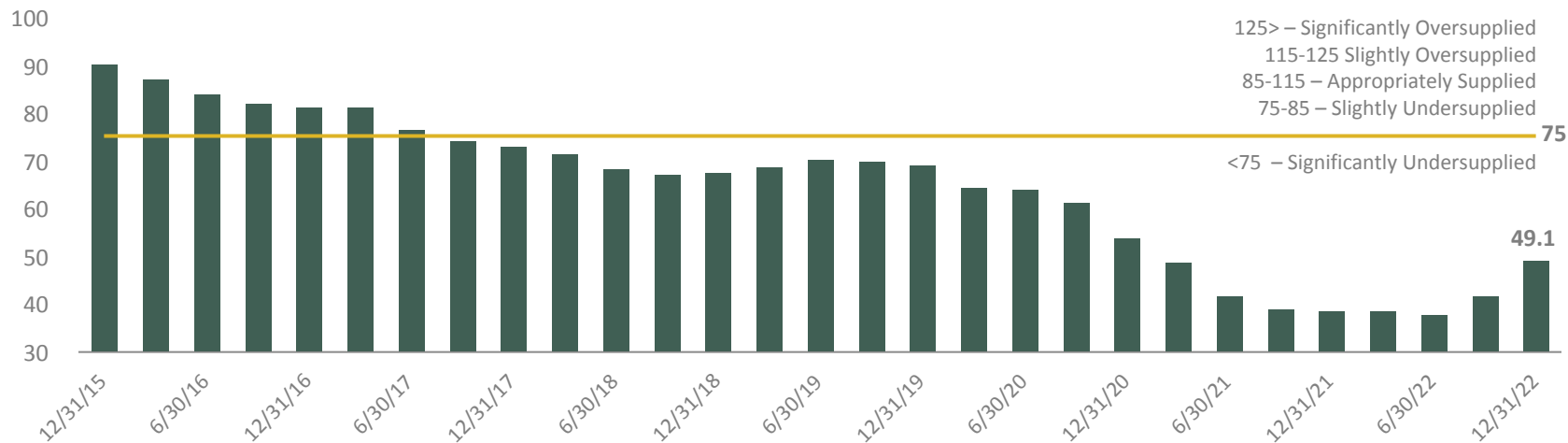


Source: NAHB

CONSTRAINED LOT SUPPLY

- Availability of lots is improving from historic lows, however the 4Q 2022 data still reflects a significantly undersupplied market nationally
- New home construction has been constrained by the availability of lots, labor and materials shortages, increased regulation and tight credit for land development

Zonda New Home Lot Supply Index

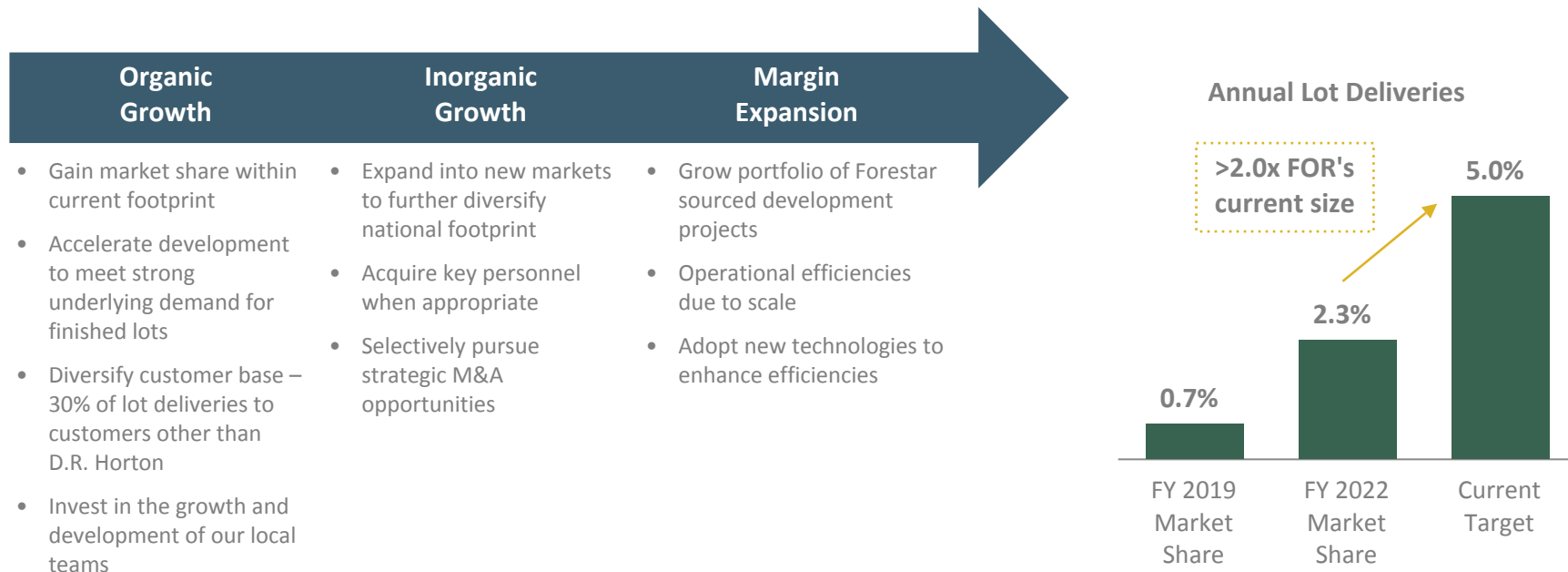


Source: Zonda

Note: The lot supply index values represent single-family vacant developed lot supply, lots that are ready to be built on, relative to equilibrium

INTERMEDIATE TERM GROWTH GOALS

Forestar has a visible path to capturing 5% market share within the highly-fragmented U.S. single-family residential lot development industry*



*5% market share goal based on one million annual U.S. fee simple single-family homes started

MANUFACTURING APPROACH TO LAND DEVELOPMENT

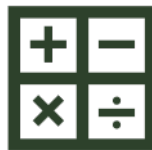
Forestar has built a fundamentally strong business model with repeatable results, rooted in a relentless focus on returns



Short duration, fully-entitled lot development projects — asset turnover is fundamental to the business strategy



Large scale with national footprint and in-market depth — Forestar has approximately 200 active projects across 52 markets and 20 states



Returns-focused, with strict underwriting criteria — all projects must have >15% return on average inventory⁽¹⁾ and return the entire phase 1 investment (including all land costs) in 36 months or less



Predictable operating results with strong profitability — pre-tax profit margin of 11.9%



Strong liquidity and access to debt and equity capital — Forestar's capital structure is a key competitive advantage

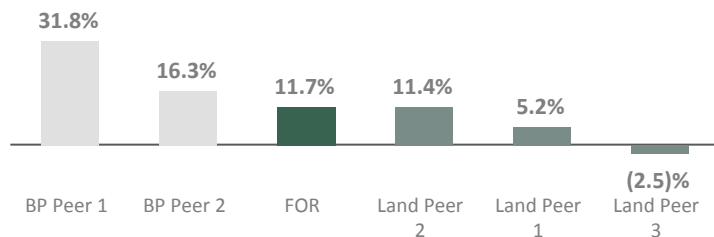
FOR has disrupted the traditional land development model

⁽¹⁾ Return on average inventory is calculated as pre-tax income divided by average inventory over the life of a project

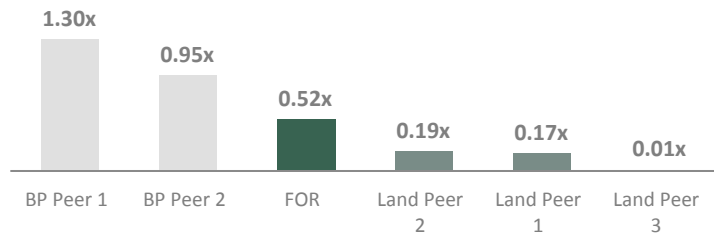
UNIQUE APPROACH TO LOT DEVELOPMENT – DUPONT ANALYSIS

Forestar's lot manufacturing strategy has positioned the Company closer to a building products manufacturer than a traditional land developer

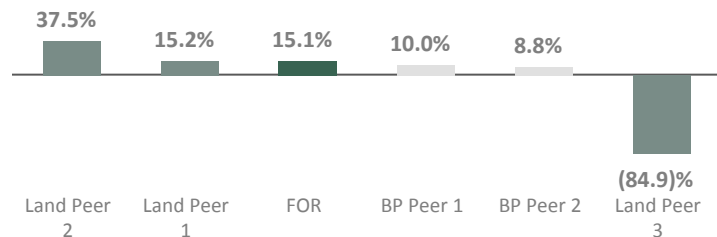
Return on Equity⁽¹⁾



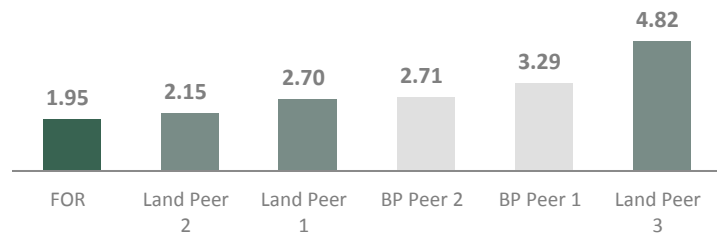
Asset Turnover⁽³⁾



Pre-Tax Profit Margin⁽²⁾



Financial Leverage⁽⁴⁾



Source: Factset as of 4/11/23, except for Forestar which is as of 2Q FY 2023

(1) Return on equity is calculated as net income for the trailing twelve months divided by average stockholders' equity, where average stockholders' equity is the sum of ending stockholders' equity balances of the trailing five quarters divided by five

(2) Pre-tax profit margin is calculated for the trailing twelve months.

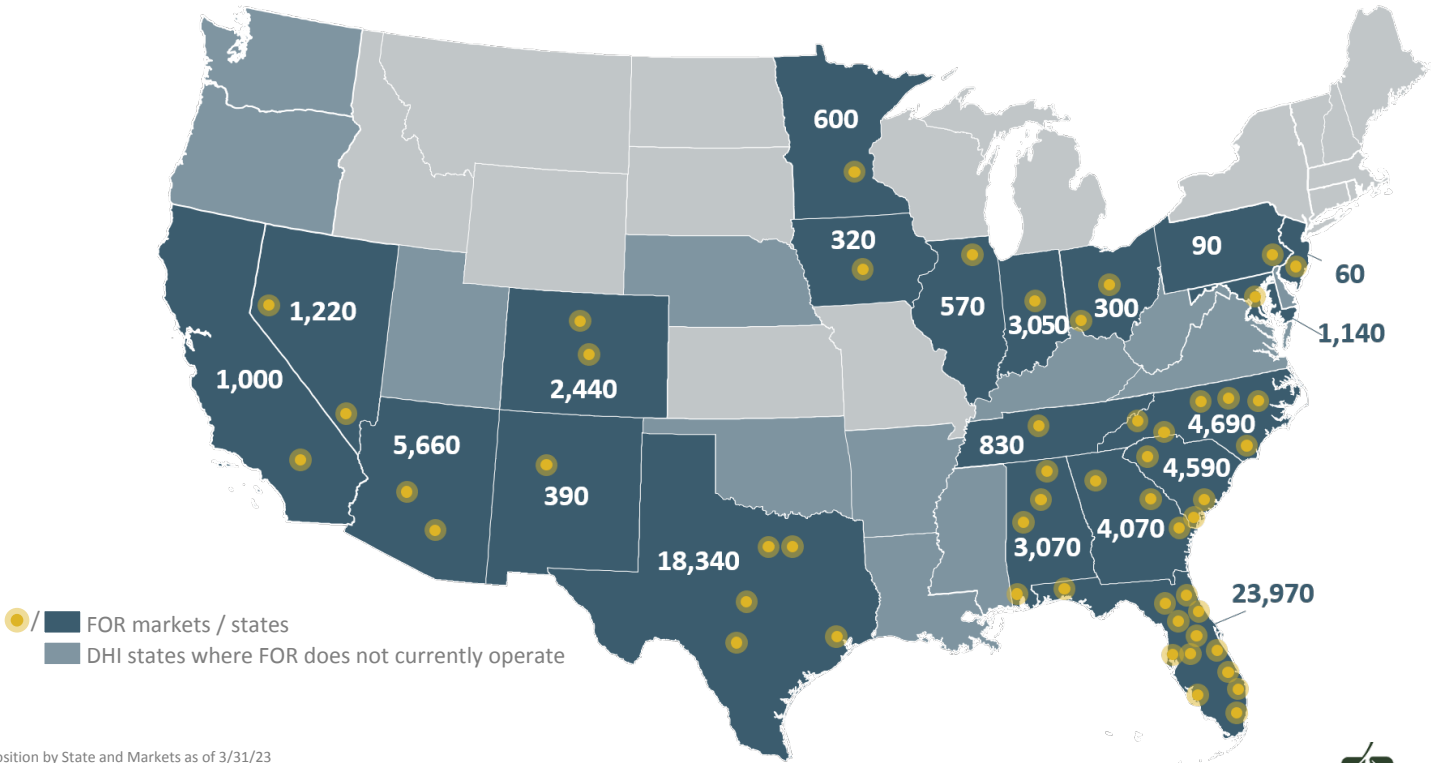
(3) Asset turnover is calculated as revenue for the trailing twelve months divided by average assets, where average assets is the sum of total assets balances of the trailing five quarters divided by five

(4) Financial leverage is calculated as average assets divided by average stockholders' equity, where average assets is the sum of total assets balances of the trailing five quarters divided by five and where average stockholders' equity is the sum of ending stockholders' equity balances of the trailing five quarters divided by five

DIVERSIFIED NATIONAL FOOTPRINT

52 MARKETS | 20 STATES

Portfolio of 76,400 lots as of March 31, 2023

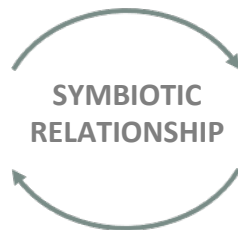


Lot Position by State and Markets as of 3/31/23
Of total lot position at 3/31/23, 57,800 are owned and 18,600 are controlled through purchase contracts

HIGHLY STRATEGIC ALIGNMENT WITH DHI

BENEFITS TO FOR

- Supports Forestar's national platform
- Significant built-in demand for lots
- Improved access to capital markets
- Shared Services from DHI



BENEFITS TO DHI

- Long-term consistent supplier of finished lots across DHI's national footprint (110 markets in 33 states)
- Integral component of DHI's operational strategy
- Participate in value creation of FOR

Alignment with the nation's largest builder provides support and stability in changing economic conditions

- Most land developers lack the scale and access to capital to be consistent suppliers of lots to DHI across its national footprint
- DHI is committed to owning no more than a 2-year supply of lots, while increasing its mix of controlled lots in inventory
- D.R. Horton has a strong appetite for finished lots that continues even during potential market downturns
 - During the worst years of the last significant housing downturn, D.R. Horton closed ~17,000 to 20,000 homes annually, the majority of which were built on finished lots purchased from 3rd parties
- Master Supply, Stockholder and Shared Services Agreements formalize the business relationship and protect FOR's interests⁽¹⁾
- DHI plans to maintain a significant ownership position in FOR over the long-term⁽²⁾

Relationship with DHI further strengthens FOR's competitive advantage

DHI's interests are aligned with FOR shareholders to ensure the profitable expansion of FOR's platform

(1) Master Supply Agreement, Stockholder's Agreement and Shared Services Agreement summaries included in Appendix

(2) D.R. Horton owns 63% of Forestar as of 3/31/23

MASTER SUPPLY AGREEMENT

The Master Supply Agreement formalizes the business relationship with DHI as both companies identify real estate opportunities and protects FOR's interests via the Right of First Offer process

A Right of First Offer (ROFO) is very different than a Right of First Refusal (ROFR)

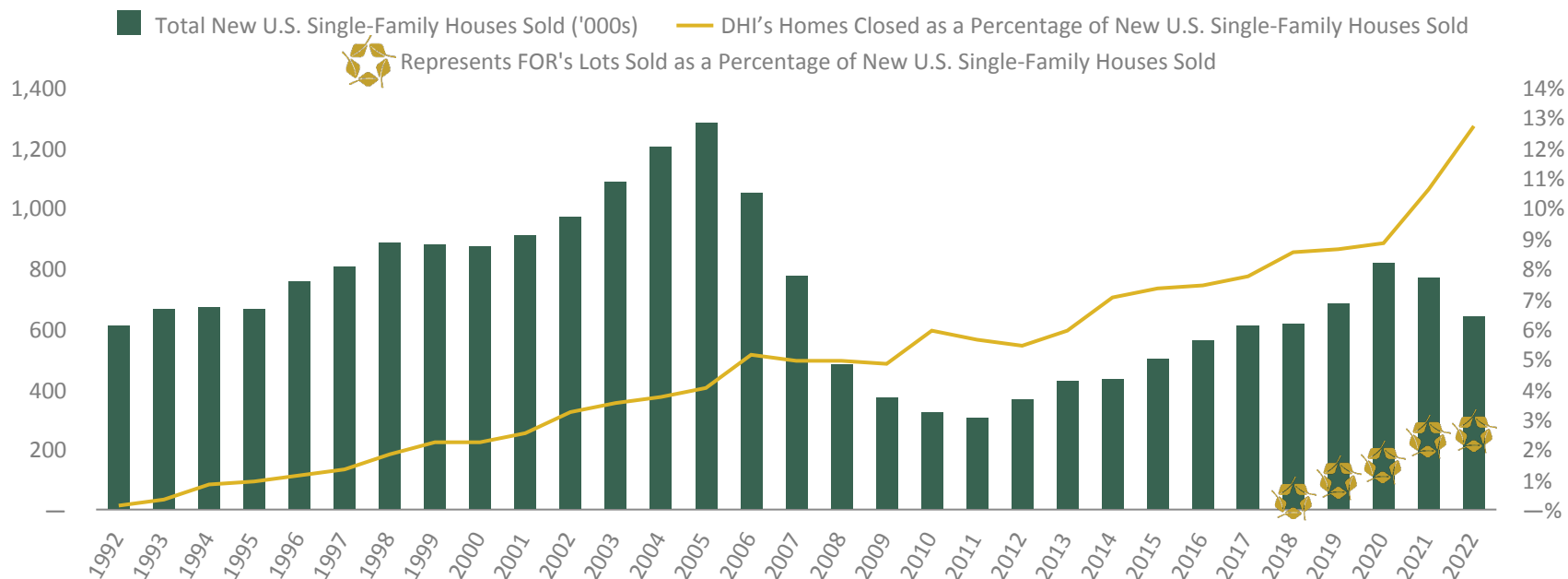
- A ROFO agreement helps establish a fair market price/terms, whereas a ROFR is advantageous to the buyer by providing a "last look"
- The ROFO provides DHI the "first look" on available lots at market terms set by Forestar
- If FOR and DHI fail to agree on terms, FOR can offer the lots to other customers at similar terms offered to DHI

- 1 Lots Sourced by DHI**
FOR must offer 100% of the lots sourced by DHI to DHI at current market terms
- 2 Lots Sourced by FOR**
FOR must offer 50% of the lots in the first phase to DHI and 50% of the lots in any subsequent phase if DHI purchases at least 25% of the lots in the previous phase at current market terms
- 3 Lots Sourced by Third Parties**
FOR offers the lots to the respective customer on third-party sourced development opportunities and is not contractually obligated to offer DHI the "first look"

Note: The Master Supply Agreement continues until the earlier of (i) the date which DHI owns less than 15% of voting shares of FOR or (ii) June 29, 2037; however, FOR may terminate the MSA at any time when DHI owns less than 25% of the voting stock of Forestar

DHI TRACK RECORD PROVIDES ROADMAP TO FOR

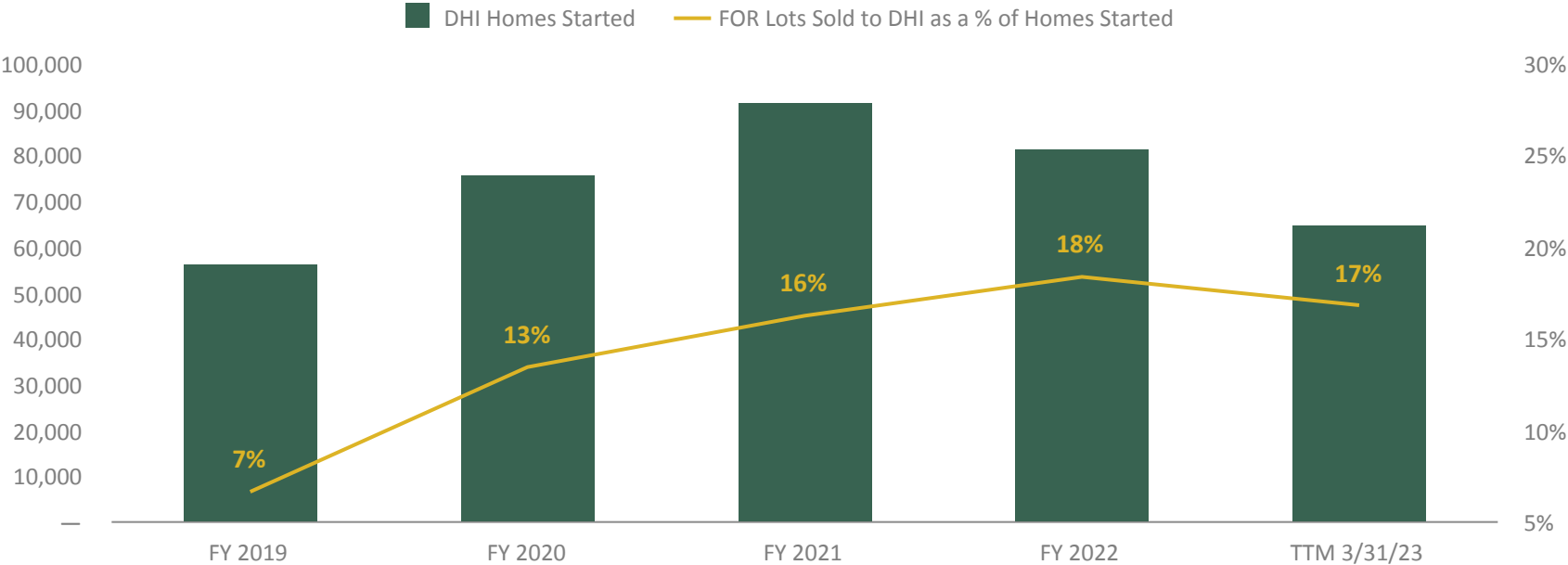
DHI's 30-year public track record provides a blueprint to FOR to achieve its own growth, consolidation and market share gains



Source: Company filings, Census
Note: Periods represent full calendar year

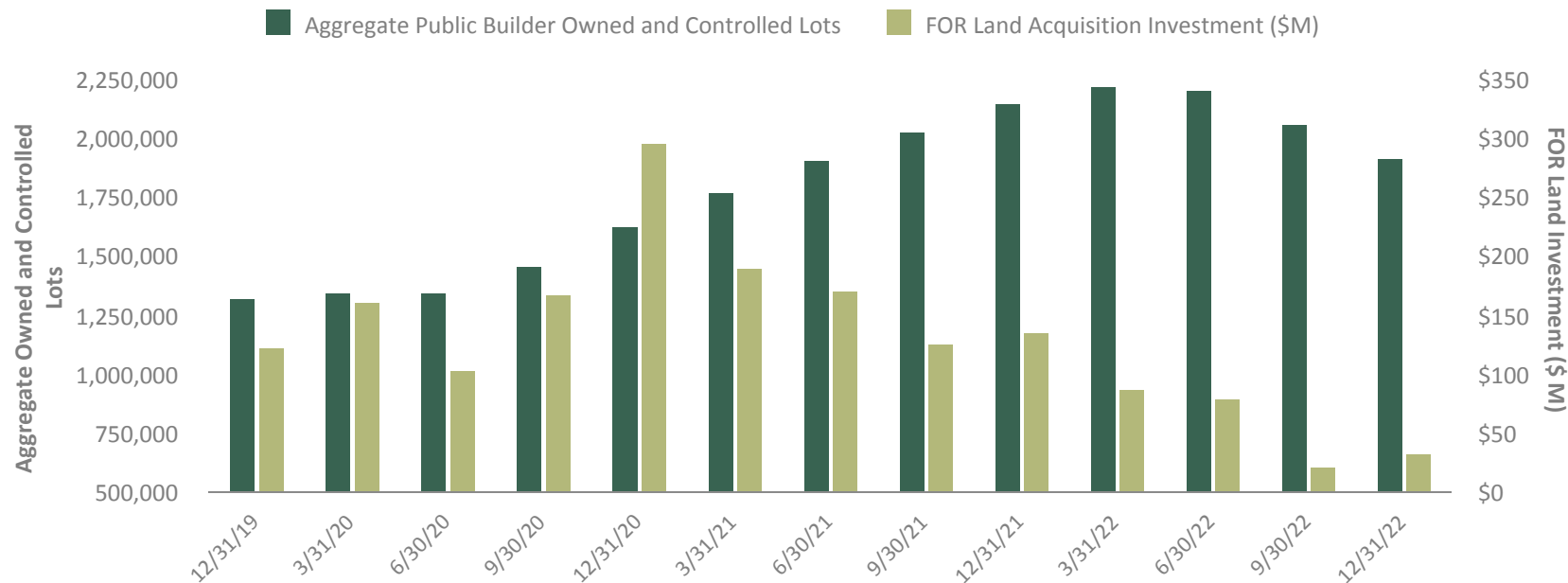
FOR IS AN ESSENTIAL LOT SUPPLIER TO DHI

FOR has expanded its market share within DHI and has a goal to supply approximately one third of DHI's annual lot needs



PROACTIVELY REDUCED NEW LAND INVESTMENT

As the public homebuilders continued to quickly build their owned and controlled lot positions, Forestar remained disciplined and proactively reduced quarterly land investment to wait for a more attractive entry point



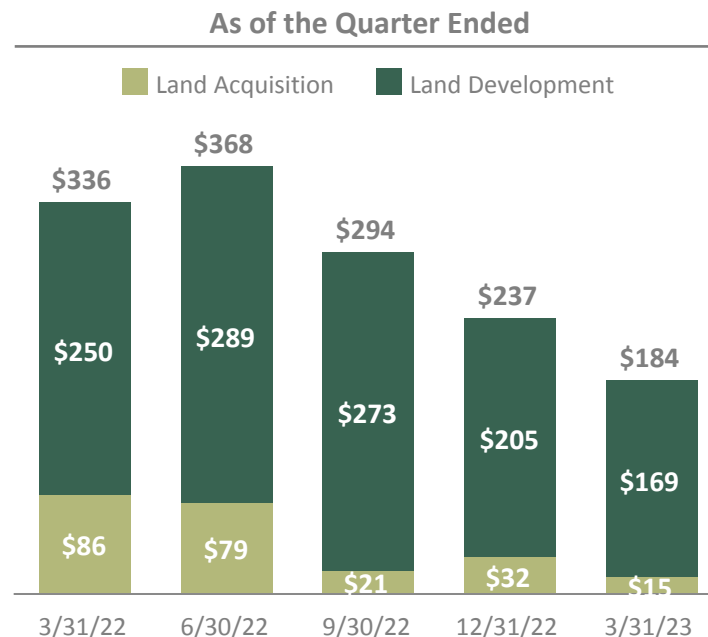
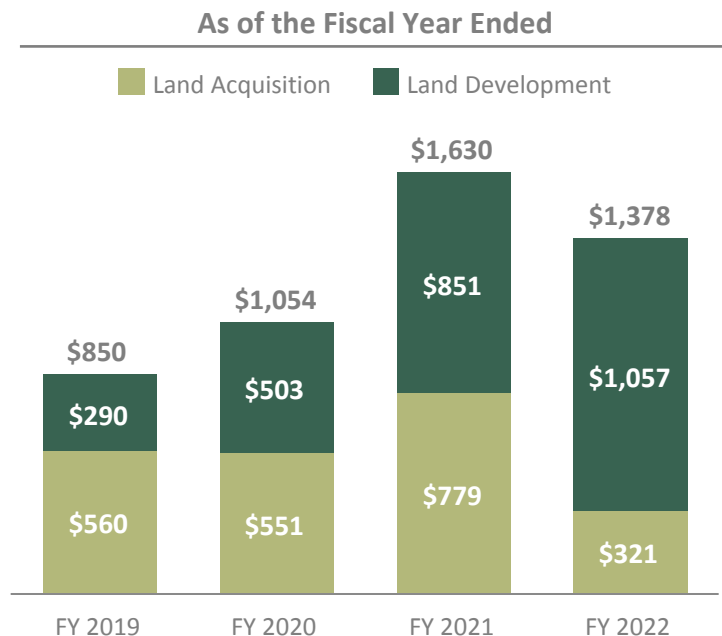
Source: Factset. Public homebuilders include DHI, LEN, NVR, PHM, TOL, TMHC, TPH, LGIH, KBH, MDC, MTH, CCS, MHO, GRBK, BZH, HOV, DFH, LSEA.

Note: Most recent balances as of the period ended 12/31, except for the following exceptions:

For TOL and HOV, data is as of the period ended 1/31; for LEN and KBH, data is as of the period ended 2/28

LAND AND DEVELOPMENT INVESTMENTS

Forestar remains very selective when investing in new projects and is focused on managing development in phases to strive to deliver finished lots at a pace that matches market demand, consistent with its focus on capital efficiency and returns

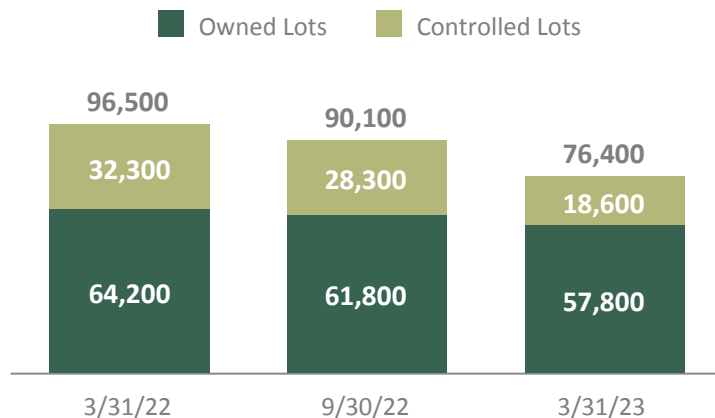


\$ in millions

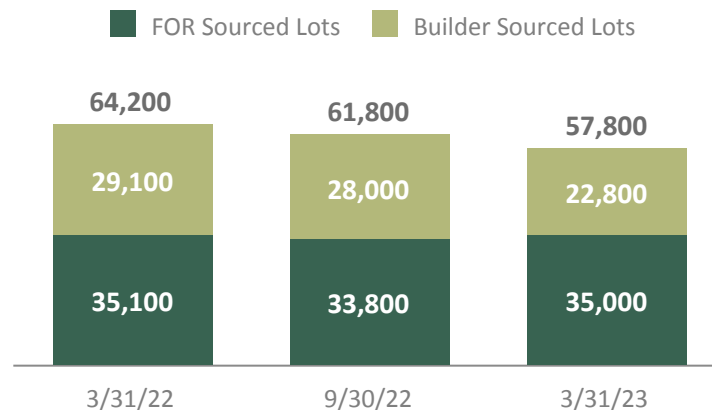
LOT POSITION

- Forestar's owned and controlled lot position has decreased as the majority of investment has shifted towards land development, while selectively replenishing lot supply to support future growth
- It is a common industry practice for homebuilders to source land acquisition opportunities for land developers
- Forestar is targeting a 3- to 4-year owned lot inventory

Owned & Controlled Lot Position



Owned Lot Position by Source

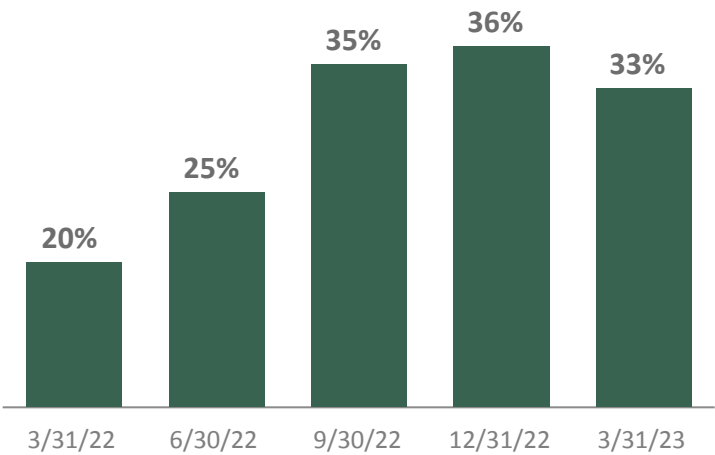


Includes lots that DHI has under contract or the right of first offer to purchase of 31,500 at 3/31/23 and 36,700 at both 9/30/22 and 3/31/22

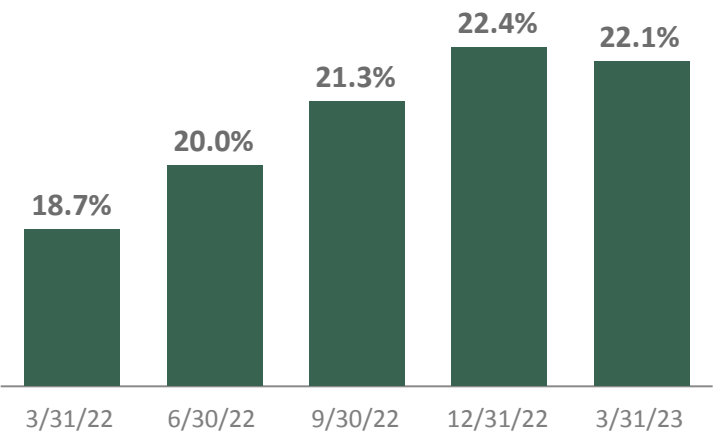
LOT SOURCING CAPABILITIES

FOR's improvement in gross profit margin is primarily due to increased margins on lot sales from development projects sourced by Forestar

TTM FOR Sourced Lots Sold as a % of Total Lots Sold



TTM Gross Profit Margin



SOLID BALANCE SHEET AND LIQUIDITY POSITION

- Forestar is well-positioned with conservative net leverage⁽¹⁾ of 1.9x, net debt to capital⁽²⁾ of 25.2% and a strong liquidity position of ~\$650 million at 3/31/23
- Balanced financing plan includes both debt and equity — net debt to capital⁽²⁾ target of $\leq 40\%$
- Capital allocation priorities include: land development, land acquisition, investment in team and M&A opportunities

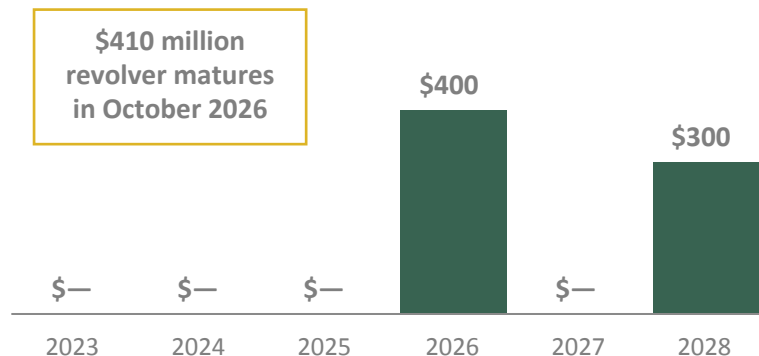
Capitalization Summary at 3/31/23

Cash and cash equivalents	\$	286.7
Debt	\$	706.8
Stockholders' equity	\$	1,247.8
Net debt to capital⁽²⁾		25.2 %

Available Liquidity at 3/31/23

Cash and cash equivalents	\$	286.7
Availability under revolving credit facility	\$	367.4
Total liquidity	\$	654.1

Debt Maturity Profile



\$ in millions

(1) Net leverage is calculated as debt net of unrestricted cash divided by adjusted EBITDA for the trailing twelve months. See appendix for adjusted EBITDA reconciliation

(2) Net debt to capital is calculated as debt net of unrestricted cash divided by debt net of unrestricted cash plus stockholders' equity

COMMITTED LEADERSHIP WITH DECADES OF EXPERIENCE

Management team includes land development veterans experienced in consolidating market share and navigating through industry and economic cycles

“
We have a high performing
team that are relentless
problem solvers.”

- Dan Bartok

8

Regional Vice Presidents
23 Average Years of Experience

18

Division Leaders
21 Average Years of Experience

DON TOMNITZ Executive Chairman

*Formerly President & CEO of DHI for over
a decade and joined FOR in October 2017*

DAN BARTOK CEO

*Joined FOR in December 2017; formerly EVP
of Owned Real Estate for Wells Fargo with
40 years experience in the homebuilding &
land development industry*

JIM ALLEN CFO

*Joined FOR in March 2020 with over 35
years of operating and financial
experience in multiple industries including
manufacturing*

MARK WALKER COO

*Joined FOR in February 2019 with over 20
years of real estate experience from
public and private homebuilders,
including DHI*

APPENDIX

BUSINESS OVERVIEW

Forestar Capital Deployment and Cash Generation



Source land acquisition opportunities

- Forestar, D.R. Horton and other homebuilders



Place land under contract and complete due diligence

- Environmental, market, entitlement, planning, engineering and permitting review



Close acquisition of entitled land (~30% finished lot cost)

- Initial Forestar capital commitment



Lot development (~70% finished lot cost)

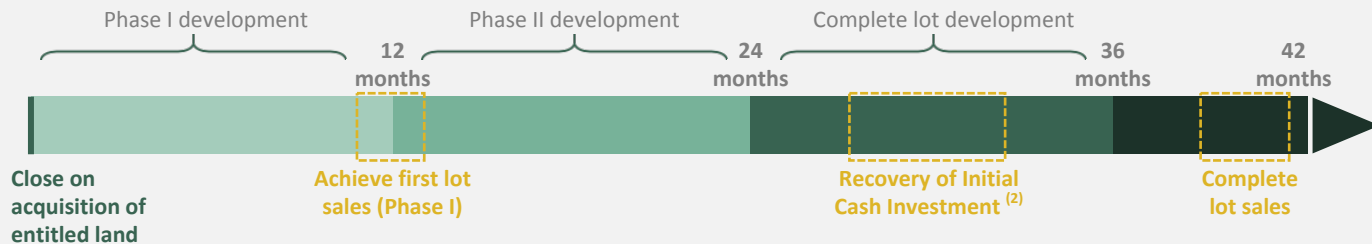
- Phased development
- ~50% of development cost is grading and utilities
- ~50% of development cost is roads, landscape, amenities, engineering, fees and all other



Deliver finished lots to builders

- D.R. Horton and other homebuilders

ILLUSTRATIVE FORESTAR PROJECT



Underwriting Criteria

- >15% Return on Inventory⁽¹⁾
- <36 month return of initial investment

(1) Return on inventory is calculated as pre-tax income divided by average inventory over the life of a project

(2) Includes land purchase price and development costs for first phase of lots

INCOME STATEMENT

	3 MONTHS ENDED		6 MONTHS ENDED	
	3/31/23	3/31/22	3/31/23	3/31/22
Residential lots sold:	2,979	5,788	5,242	10,304
Development projects	2,979	4,806	5,242	9,187
Lot banking projects	—	195	—	330
Deferred development projects	—	787	—	787
Average sales price per lot ⁽¹⁾	\$ 84,700	\$ 81,900	\$ 87,000	\$ 85,300
Revenues⁽²⁾	\$ 301.5	\$ 421.6	\$ 518.2	\$ 829.2
Gross profit	55.9	87.5	103.4	160.9
Selling, general and administrative expense	22.0	24.3	44.9	45.8
Equity in earnings of unconsolidated ventures	—	—	—	(1.1)
Gain on sale of assets	—	—	(1.6)	(0.5)
Interest and other income	(2.0)	—	(3.7)	—
Income before income taxes	\$ 35.9	\$ 63.2	\$ 63.8	\$ 116.7
Income tax expense	9.0	15.4	16.1	28.4
Net income	26.9	47.8	47.7	88.3
Net income attributable to noncontrolling interests	—	—	—	—
Net income attributable to Forestar Group Inc.	<u>\$ 26.9</u>	<u>\$ 47.8</u>	<u>\$ 47.7</u>	<u>\$ 88.3</u>
Net income per diluted share	\$ 0.54	\$ 0.96	\$ 0.95	\$ 1.77

\$ in millions except per share data and the average sales price per lot

Unaudited

(1) Excludes any impact from change in contract liabilities

(2) Revenues include \$41.1 million and \$0.1 million in tract sales and other revenue for three months ended March 31, 2023 and 2022, respectively, and \$44.4 million and \$3.6 million in tract sales and other revenue for six months ended March 31, 2023 and 2022, respectively. Revenues also include \$7.5 million and \$12.5 million in deferred development revenue for the three months ended March 31, 2023 and 2022, respectively, and \$14.3 million and \$12.5 million in deferred development revenue for the six months ended March 31, 2023 and 2022, respectively

ADJUSTED EBITDA RECONCILIATION

Reconciliation of Adjusted Non-GAAP Financial Measures to their GAAP equivalents

	3 MONTHS ENDED		12 MONTHS ENDED	
	3/31/23	3/31/22	3/31/23	3/31/22
Net income attributable to Forestar Group Inc.	\$ 26.9	\$ 47.8	\$ 138.2	\$ 148.1
Net income attributable to noncontrolling interests	—	—	—	0.2
Net income	\$ 26.9	\$ 47.8	\$ 138.2	\$ 148.3
Income tax expense	9.0	15.4	44.7	48.2
Interest charged to cost of sales	5.1	10.4	24.8	38.5
Depreciation and amortization	0.8	0.5	2.8	2.5
Equity in earnings of unconsolidated ventures	—	—	(0.1)	(1.0)
Interest and other income	(2.0)	—	(4.7)	(0.4)
Stock based compensation	1.9	1.6	3.8	3.4
EBITDA	\$ 41.7	\$ 75.7	\$ 209.5	\$ 239.5
Gain on sale of assets	—	—	(4.3)	(3.0)
Loss on extinguishment of debt	—	—	—	18.1
Real estate impairment	19.4	3.8	19.4	3.8
Adjusted EBITDA	\$ 61.1	\$ 79.5	\$ 224.6	\$ 258.4
<i>Adjusted EBITDA Margin</i>	<i>20.3%</i>	<i>18.9%</i>	<i>18.6%</i>	<i>16.6%</i>

\$ in millions
Unaudited

BALANCE SHEET

	3/31/23	9/30/22	3/31/22
Cash and cash equivalents	\$ 286.7	\$ 264.8	\$ 233.7
Real estate	1,988.0	2,022.4	1,960.5
Investment in unconsolidated ventures	0.5	0.5	0.5
Other assets	61.1	55.3	36.9
Total assets	\$ 2,336.3	\$ 2,343.0	\$ 2,231.6
Debt	\$ 706.8	\$ 706.0	\$ 705.3
Accrued development costs	99.1	122.3	120.6
Earnest money on sales contracts	130.1	136.2	141.9
Other liabilities	115.8	142.3	133.4
Deferred tax liability, net	35.7	36.9	23.0
Stockholders' equity	1,247.8	1,198.3	1,106.4
Noncontrolling interests	1.0	1.0	1.0
Total equity	1,248.8	1,199.3	1,107.4
Total liabilities and equity	\$ 2,336.3	\$ 2,343.0	\$ 2,231.6
Net debt to total capital⁽¹⁾	25.2 %	26.9 %	29.9 %
Debt to total capital⁽¹⁾	36.2 %	37.1 %	38.9 %

\$ in millions

Unaudited

(1) Debt to capital is calculated as debt divided by stockholders' equity plus debt; net debt to capital is calculated as debt net of unrestricted cash divided by debt net of unrestricted cash plus stockholders' equity



FORESTAR 28

MASTER SUPPLY AGREEMENT

The Master Supply Agreement (MSA) formalizes the business relationship with DHI as both companies identify real estate opportunities and protects FOR's interests via the Right of First Offer (ROFO) process

- A ROFO is different than a Right of First Refusal (ROFR)
 - The ROFO provides DHI the "first look" on available lots, at market terms set by Forestar
 - If FOR and DHI fail to agree on terms, FOR can offer the lots to other builders at similar terms offered to DHI
- There are three ROFO scenarios in the MSA:
 1. **Lots Sourced by DHI:** FOR must offer 100% of the lots sourced by DHI to DHI at prevailing market prices
 - If DHI does not purchase the lots, then FOR can offer the lots to other builders at prevailing market prices
 2. **Lots Sourced by FOR:** FOR must offer 50% of the lots in the first phase to DHI and 50% of the lots in any subsequent phase if DHI purchases at least 25% of the lots in the previous phase
 3. **Lots Sourced by Third Parties:** FOR offers the lots to the respective builder on third-party sourced development opportunities and is not contractually obligated to offer DHI the "first look"
- Continues until the earlier of (i) the date which DHI owns less than 15% of voting shares of FOR or (ii) June 29, 2037; however, FOR may terminate the MSA at any time when DHI owns less than 25% of the voting stock of Forestar

STOCKHOLDER'S AGREEMENT

- FOR Board of Directors must include at least three independent directors (currently has four)
- As long as DHI owns at least 20% of FOR's outstanding equity:
 - DHI has the right to designate individuals to FOR's Board based on DHI's ownership percentage
 - DHI has the right to designate the Executive Chairman of FOR
- Requires an investment committee of FOR officers to approve new lot development and banking projects
- As long as DHI owns at least 35% of FOR's outstanding voting shares, FOR must obtain DHI consent in order to:
 - Issue equity
 - Incur, assume, refinance or guarantee debt that would increase FOR's gross leverage to greater than 40%
 - Select, terminate, remove or change compensation arrangements for the Executive Chairman, CEO, CFO and other key senior management
 - Make an acquisition or investment greater than \$20 million

SHARED SERVICES AGREEMENT

- Shared Services Agreement between FOR and DHI defines the terms under which DHI may provide administrative, compliance, operational and procurement services to FOR
- Scope and cost of services provided to FOR are mutually agreed upon by FOR and DHI management teams and are adjusted periodically as necessary
- Services provided currently include:
 - Finance and Treasury
 - Risk Management
 - Information Technology
 - Internal Audit
 - Investor Relations
 - Human Resources, Payroll and Employee Benefits
- FOR also contracts with DHI for lot development services in projects owned by FOR in geographic markets where FOR has not yet established development teams and capabilities
 - FOR pays DHI a fixed fee for each lot developed, which is mutually agreed upon for each project