

Top 50

JOHN BURNS
REAL ESTATE CONSULTING

Master-Planned Communities of 2014

Strong Year

for Top 50 Master-Planned Communities

By Ken Perlman and Jody Kahn

Builders in the top 50 master-planned communities (MPCs) in the country captured 22,238 new home sales in 2014, or 5% of annual US new home sales. We connected with developer and builder representatives, many of whom are clients, at over 130 communities to arrive at this year's Top 50 ranking. Higher new home prices, paired with waning or delayed lot supplies in many of the top-selling communities, weighed on sales volumes this year. Changes in 2014 FHA loan limits also reduced sales activity in several affordability-driven metropolitan areas, such as Riverside-San Bernardino and Las Vegas.

With the addition of *College Park* at #15 and revised sales at *Lakewood Ranch*:

- 22,238 sales by the top 50 communities reflect a 4% decline from 2013.
- 13,231 sales by the revised top 20 communities reflect a 10% decline from 2013.

Texas continues to lead the country in top-selling master-planned communities.

This year's list of top 50 masterplans includes 20 from the state of Texas, or 40% of all top sellers, including 15 in Houston. California has ten communities in the top 50, Florida contributed nine top sellers, and Denver has four top-selling masterplans. Las Vegas was represented by three masterplans, all of which were ranked among the nation's top 20. No Phoenix masterplans had enough 2014 sales to be ranked among the top 50, as new home sales slowed significantly in 2014, and some communities were running low on lots.

Nine developers have multiple communities among the top 50.

Houston-based **Johnson Development Company** accounts for four master-planned communities in this year's top 50 ranking, and all are located in Houston. Johnson's top seller is the *Riverstone* community, which jumped to #4 nationally in 2014. **Shea Homes** has three masterplans in the ranking, spanning Northern and Southern California, plus Denver. Shea's *Mountain House* community continues to offer a relatively affordable alternative to buyers who commute to Bay Area employment. **Newland Communities** is represented by three masterplans in the nation's top 50, all of which are in Texas. Newland's *Cinco Ranch* on Houston's west side is beginning to wind down but still made the top 20 list. **Friendswood Development** also has three communities in the top 50, all in Houston. **Five Point Communities**, **Focus Property Group**, **Standard Pacific**, **Lennar Homes**, and **GL Homes** each have two masterplans in the top 50 list.

To complete this analysis we connected with developer representatives at **more than 130** master-planned communities nationwide.

Continued...

More ranking and sales data can be found on the following pages.

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Master-Planned Communities of 2014

Top-Selling Master-Planned Communities

Ranked by 2014 Net Sales

1	THE VILLAGES	The Villages, FL (Central FL)	26	TOWNELAKE	Houston, TX
2	THE IRVINE RANCH	Orange County, CA	27	SIENNA PLANTATION	Houston, TX
3	NOCATEE	Jacksonville, FL	28t	PHILLIPS CREEK RANCH	Dallas, TX
4	RIVERSTONE	Houston, TX	28t	DAYBREAK	Salt Lake City, UT
5	MOUNTAIN'S EDGE	Las Vegas, NV	30	VALENCIA RESERVE/COVE	West Palm Beach, FL
6	ALAMO RANCH	San Antonio, TX	31	OAKHURST AT KINGWOOD	Houston, TX
7	STAPLETON	Denver, CO	32	EAGLE SPRINGS	Houston, TX
8	ALIANA	Houston, TX	33	BAKER RANCH	Orange County, CA
9t	VALENCIA	Los Angeles, CA	34	WESTRIDGE	Dallas, TX
9t	LAKEWOOD RANCH	Sarasota, FL	35	MOUNTAIN HOUSE	Stockton, CA
11	PROVIDENCE	Las Vegas, NV	36	GREEN VALLEY RANCH	Denver, CO
12	THE WOODLANDS	Houston, TX	37	VIERA	Palm Bay-Melbourne, FL
13t	CINCO RANCH	Houston, TX	38t	GRAND MISSION ESTATES	Houston, TX
13t	RANCHO MISSION VIEJO	Orange County, CA	38t	CRYSTAL FALLS	Austin, TX
15	COLLEGE PARK	Riverside-San Bernadino, CA	40	HIGHLANDS RANCH	Denver, CO
16	WILDWOOD AT NORTHPOINTE	Houston, TX	41	OTAY RANCH	San Diego, CA
17	SUMMERLIN	Las Vegas, NV	42	ST. CHARLES	Washington, DC
18	PAVILION PARK AT GREAT PARK	Orange County, CA	43	SHADOW CREEK RANCH	Houston, TX
19	LAKE NONA	Orlando, FL	44	TERAVISTA	Austin, TX
20	WOODFOREST	Houston, TX	45	TREVISO BAY	Naples, FL
21	CROSS CREEK RANCH	Houston, TX	46	THE MEADOWS	Denver, CO
22	CANYON LAKES WEST	Houston, TX	47	POSITANO	Oakland, CA
23	CANE BAY PLANTATION	Charleston, SC	48	DEL SUR	San Diego, CA
24	BRAMBLETON	Washington, DC	49	AVE MARIA	Naples, FL
25	FIRETHORNE	Houston, TX	50	RIVERSTONE	Naples, FL

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Master-Planned Communities of 2014

Wildwood and College Park communities see huge sales growth.

Friendswood Development's *Wildwood at NorthPointe* community in northwest Houston generated a jaw-dropping 129% jump in net sales during 2014. Expanded lot sizes and product range, completion of community amenities, and the expansion of Highway 249 and the opening of the Grand Parkway, which allows a faster commute, all contributed to the leap in sales. *College Park* in the Chino submarket of Riverside-San Bernardino reports the 2nd-largest sales increase at 89%, due to its highly commutable location and many actively selling sections.

Sales slow at Cinco Ranch and The Woodlands.

The Woodlands and *Cinco Ranch* names are synonymous with Houston and well-executed master-planned communities, but both communities reported lower sales in 2014 as they approach completion. The Woodlands opened for sales in 1974 according to the developer and continues to generate significant press today as the new Exxon Mobil campus renews the focus on Houston's booming north side. The onsite village, schools, parks and health care, as well as excellent access to highways, Bush International Airport, and north side employment and recreational assets are big draws. Cinco Ranch put Houston's west side on the map when it opened for sales in 1991. Great amenities and Newland Communities' careful segmentation and execution ensured the community's success, and its proximity to Houston's west side Energy Corridor is a big plus. The Grand Parkway was a dream back in 1991 but provides access to both Cinco Ranch and The Woodlands today.

Florida masterplans succeed with family and age-targeted housing.

Florida-based Senior Vice President **Lesley Deutch** states, "*Lakewood Ranch* in Sarasota experienced an increase in sales in 2014 due to a number of

diversification strategies, including a larger presence of production home builders, a mix of product offerings ranging from family-oriented to age-targeted, and a wide range of home prices ranging from the low \$200,000s to over \$1,000,000." Lakewood Ranch reported final sales of 493 homes after we published our Top 20 ranking, which listed 475 sales for the year.



Lesley Deutch
Senior Vice President
Florida

Lake Nona continued its rapid sales pace, despite its position as one of the higher-priced master-planned communities in Orlando, according to Lesley. The community benefits from its proximity to retail, amenities, and Orlando International Airport, as well as growth in the number of high-wage employment centers near Lake Nona. The planned opening of the US Tennis Association's state-of-the-art facility in Lake Nona in 2016, with over 100 tennis courts, will further enhance this MPC's desirability.

The Villages continues its reign as the top-selling master-planned community in the country. The MPC continues to thrive on its unparalleled in-place amenity offerings, over 100,000 existing residents that "spread the word" and market the MPC, and probably most importantly, the relatively low cost of living offered by the MPC. The majority of new homes sold in the Villages range from \$200,000 to \$300,000. The MPC has approximately two years of land remaining if it continues to sell homes at the current pace. The developers bought a bit more land this year, and we are watching to see whether they can accumulate enough land to continue to expand this massive and successful community. Numerous developers up and down the state have contacted us about helping them design "the next Villages".

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Top-selling Southern California masterplans offer relative affordability.

Two San Diego communities made the Top 50 list for 2014. Senior Vice President **Pete Reeb** notes, "Careful market segmentation, superb community execution, multiple amenity hubs with parks and pools, great schools within the community itself, and proximity to high-paying jobs, combined to propel *Del Sur* into the Top 50 list this year. There are currently five home builders with seven actively selling neighborhoods, all differentiated by lot and home sizes and targeting different market segments, thus minimizing cross-competition among the projects."



Pete Reeb
Senior Vice President
Southern California

Otay Ranch, located in south San Diego County, is a 20,000+ unit-specific plan being developed as a series of large-scale villages (1,000+ units per village). In 2014, there were two actively selling villages: Lomas Verdes (McMillin) and Montecito (Baldwin). Pete adds, "With different master developers, the villages have very different looks and feels, and each has its own amenity packages. Sales were down in 2014 due to the sell-out of some neighborhoods in late 2013 and 2014, combined with a lag in new project openings. Home prices at Otay Ranch tend to be lower than comparably sized homes in north San Diego County, helping to boost sales."

College Park is located in the northwestern portion of Chino and is able to pull in buyers from both Orange County and Los Angeles County, according to Pete. Other masterplans located farther to the south or east pull less from Los Angeles. College Park's large community recreation center opened last year, and the

community also has the highest number of actively selling projects of any masterplan in the Inland Empire market, a region that is starved for new product designs.

Denver's master-planned communities prove that lifestyle is not just for warm climates.

Four Denver masterplans made our Top 50 ranking, second only to Houston. These Denver communities prove that MPCs are not just for the "sunny states," with great lifestyle and access to amenities and employment that buyers want. The 508 sales at *Stapleton* in 2014 made it the 7th best-selling community in our ranking for 2014. Senior Vice President Ken Perlman observes, "With 50 parks, a thriving town center, and community-sponsored arts and entertainment, Stapleton serves as a model for urban infill redevelopment across the country. *Highlands Ranch* and *The Meadows* in Douglas County prove that great amenities, high-performing schools, and proximity to employment (Denver Tech Center) are what buyers are seeking."

Three Las Vegas masterplans accounted for over 20% of this metro's new home sales in 2014.

After what can be described as a few trying years for Las Vegas, we congratulate Focus Property Group and Howard Hughes Corporation on creating some of the most successful communities in the country. *Mountain's Edge*, *Providence*, and *Summerlin* are all ranked in the Top 20 list; only Houston had more. Summerlin is the largest master-planned community in Las Vegas. Ken Perlman adds, "Thanks to great amenities that include more than 150 parks, miles of trails, and new retail, The Howard Hughes Corporation has made Summerlin one of the most desirable addresses in the Valley, consistently commanding some of the highest new home prices in Las Vegas." Focus Property Group's Mountain's Edge community is the anchor of the southwest valley, with a 2,800-foot high

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mountain at its entrance that serves as a signature recreational amenity. In the Northwest submarket, Focus Property Group's Providence features open spaces and parks with a promenade bisecting the site, creating a popular walking path that helps create a cohesive community. Together, the three communities captured 1,533 new home sales in 2014, accounting for more than 20% of the metro area's total new home sales.

Research and execution support sales at diverse price points in master-planned communities.

Our team assists master-planned community developers and builders with research and segmentation, helping them maximize profit by targeting the right buyer profiles and offering the most profitable array of new home and community offerings.

In 2014, our consultants based in eleven different offices nationwide completed **more than 650** market studies, visiting thousands of communities in the process.

If you have questions about any of the top 50 communities, contact **Ken Perlman** or **Jody Kahn**. They can connect you to the appropriate person. We are also happy to announce that we have acquired **DesignLens**, the industry leader for great design ideas. For more information on **DesignLens**, contact **Isabell Kerins** at ikerins@realestateconsulting.com and 949-870-1241.

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Rankings	Project Name and Location		Developer	Net Sales		YOY% Δ
	2014	2013		2014	2013	
1	1	THE VILLAGES The Villages, FL (Central FL)	Villages of Lake Sumter, LLC	2,601	3,419	-24%
2	2	THE IRVINE RANCH ¹ Orange County, CA	The Irvine Company	1,431	1,416	1%
3	↑ 5	NOCATEE Jacksonville, FL	The PARC Group	851	838	2%
4	↑ 6	RIVERSTONE Houston, TX	Johnson Development Corp.	719	791	-9%
5	↓ 4	MOUNTAIN'S EDGE Las Vegas, NV	Focus Property Group	609	841	-28%
6	↑ 10	ALAMO RANCH ² San Antonio, TX	Galo Properties	585	600	-3%
7	↑ 11	STAPLETON Denver, CO	Forest City Enterprises	508	570	-11%
8	↑ 15	ALIANA Houston, TX	Aliana Development Company	500	468	7%
9t	↑ 20	VALENCIA Los Angeles, CA	Five Point Communities/Newhall Land	493	372	33%
9t	9	LAKWOOD RANCH Sarasota, FL	Schroeder-Manatee Ranch, Inc.	493	618	-20%
11	↓ 7	PROVIDENCE Las Vegas, NV	Focus Property Group	487	726	-33%
12	↓ 8	THE WOODLANDS Houston, TX	The Woodlands Development Company	468	649	-28%
13t	↓ 3	CINCO RANCH Houston, TX	Newland Communities	451	854	-47%
13t	↑ 22	RANCHO MISSION VIEJO Orange County, CA	Rancho Mission Viejo, LLC	451	360	25%
15	N/A	COLLEGE PARK Riverside-San Bernadino, CA	Standard Pacific Homes/Lennar Homes , LLC	444	235	89%
16	N/A	WILDWOOD AT NORTHPOINTE Houston, TX	Friendswood Development Company	442	193	129%
17	↓ 12	SUMMERLIN Las Vegas, NV	The Howard Hughes Corporation	437	566	-23%
18	↑ 38	PAVILION PARK AT GREAT PARK Orange County, CA	Five Point Communities	425	245	73%
19	↓ 14	LAKE NONA Orlando, FL	Tavistock Group	419	475	-12%
20	↓ 16	WOODFOREST Houston, TX	Johnson Development Corp.	417	457	-9%
21	↓ 13	CROSS CREEK RANCH Houston, TX	Johnson Development Corp.	411	515	-20%
22	↓ 18	CANYON LAKES WEST Houston, TX	Land Tejas Company	410	515	-20%
23	↑ 24	CANE BAY PLANTATION Charleston, SC	Gramling Brothers Real Estate & Development	385	341	13%
24	↓ 19	BRAMBLETON Washington, DC	Brambleton Group LLC	374	373	0%
25	↓ 21	FIRETHORNE Houston, TX	Jefferson Development Company	368	361	2%

↑ Rank Increased
↓ Rank Declined

¹Irvine Ranch includes Cypress Village, Portola Springs, Stonegate, Woodbury, and Orchard Hills.
²Estimate

Bold Multiple MPCs on list

SOURCE: John Burns Real Estate Consulting, LLC (January 2015)

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2014	2013			2014	2013	Δ	
26	N/A	TOWNELAKE Houston, TX	Caldwell Companies	366	268	37%	
27	↓ 17	SIENNA PLANTATION Houston, TX	Johnson Development Corp.	359	445	-19%	
28t	N/A	PHILLIPS CREEK RANCH Dallas, TX	Republic Property Group	337	330	2%	
28t	↓ 23	DAYBREAK Salt Lake City, UT	Kennecott Land	337	353	-5%	
30	↓ 28t	VALENCIA RESERVE/COVE West Palm Beach, FL	GL Homes	329	299	10%	
31	↑ 49	OAKHURST AT KINGWOOD Houston, TX	Friendswood Development Company	327	224	46%	
32	↓ 11	EAGLE SPRINGS Houston, TX	Newland Communities	319	321	-1%	
33	N/A	BAKER RANCH Orange County, CA	Shea Homes/Toll Brothers	309	0	N/A	
34	↑ 43t	WESTRIDGE Dallas, TX	DR Horton	301	235	28%	
35	↓ 30	MOUNTAIN HOUSE Stockton, CA	Shea Homes	296	290	2%	
36	N/A	GREEN VALLEY RANCH Denver, CO	Oakwood Homes	293	253	16%	
37	N/A	VIERA Palm Bay-Melbourne, FL	The Viera Company	288	262	10%	
38t	N/A	GRAND MISSION ESTATES Houston, TX	Friendswood Development Company	276	197	40%	
38t	↓ 27	CRYSTAL FALLS Austin, TX	Lookout Development Group	276	305	-10%	
40	↑ 50	HIGHLANDS RANCH Denver, CO	Shea Homes	263	220	20%	
41	N/A	OTAY RANCH San Diego, CA	McMillin Land Development/Baldwin & Sons	254	315	-19%	
42	↓ 41t	ST. CHARLES Washington, DC	St. Charles Companies	250	241	4%	
43	↓ 28t	SHADOW CREEK RANCH Houston, TX	Shadow Creek Ranch Development	244	304	-20%	
44	↓ 37	TERAVISTA Austin, TX	Newland Communities	241	249	-3%	
45	N/A	TREVISO BAY Naples, FL	Lennar Homes, LLC	239	215	11%	
46	↓ 32	THE MEADOWS Denver, CO	Castle Rock Development Co.	238	263	-10%	
47	N/A	POSITANO ² East Bay, CA	Braddock and Logan	233	143	63%	
48	N/A	DEL SUR San Diego, CA	Standard Pacific Homes	231	179	29%	
49	N/A	AVE MARIA Naples, FL	Barron Collier Companies	227	173	31%	
50	↓ 46t	RIVERSTONE Naples, FL	GL Homes	226	230	-2%	
				TOTAL	22,238	23,112	-4%

↑ Rank Increased ²Estimate

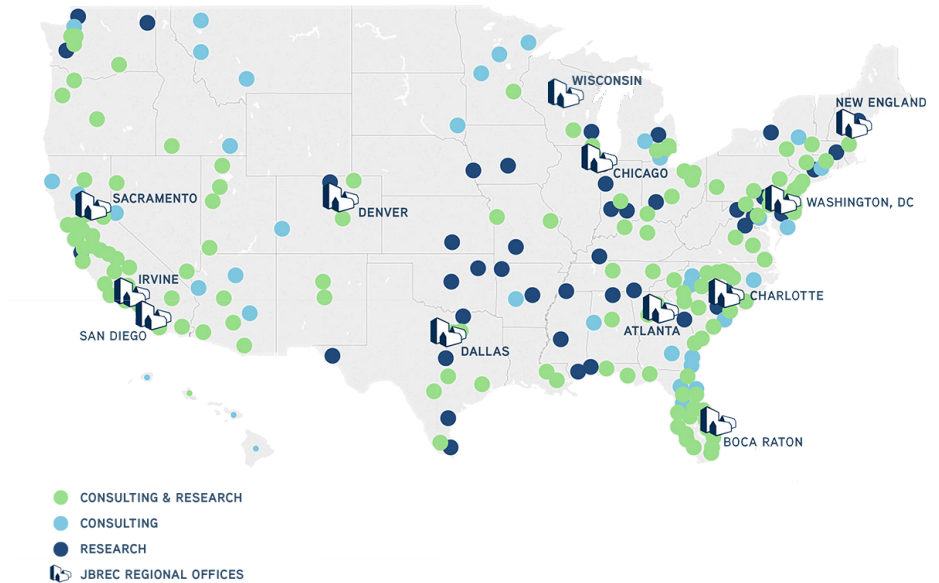
↓ Rank Declined

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John Burns Real Estate Consulting, LLC takes great pride in our highly educated, resourceful, and experienced team that includes practitioners with 25+ years of experience in both home building and community development. As a research client, you gain access to our team across the nation to discuss market conditions, our current research, and our forecasts.



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