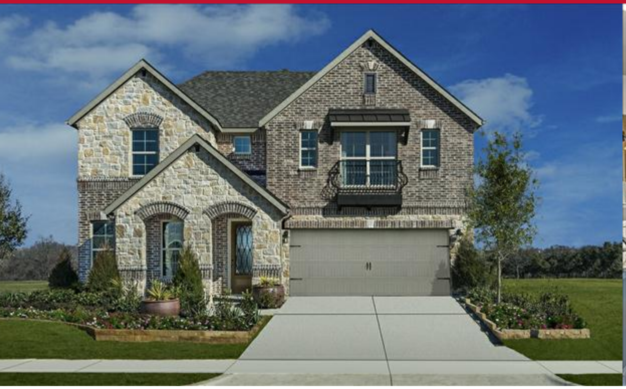
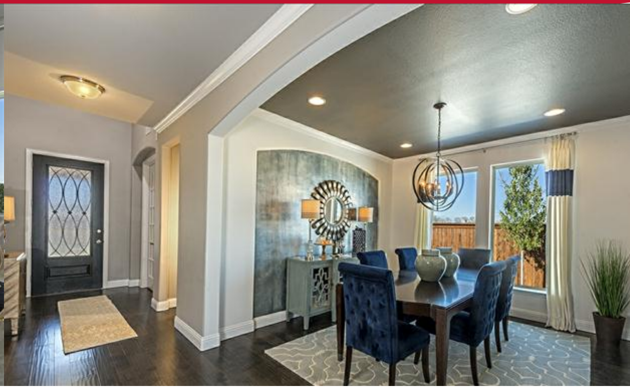




Beazer Homes USA, Inc.

Q4 2016 Earnings Presentation



Dallas, TX – Creekside at Craig Ranch

Forward Looking Statements

This Annual Report on Form 10-K (Form 10-K) contains forward-looking statements. These forward-looking statements represent our expectations or beliefs concerning future results, and it is possible that the results described in this Form 10-K will not be achieved. These forward-looking statements can generally be identified by the use of statements that include words such as "estimate," "project," "believe," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will," "goal," "target" or other similar words or phrases. All forward-looking statements are based upon information available to us on the date of this Form 10-K. These forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside of our control, that could cause actual results to differ materially from the results discussed in the forward-looking statements, including, among other things, the matters discussed in this Form 10-K in the section captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations." Additional information about factors that could lead to material changes in performance is contained in Part I, Item 1A— Risk Factors of our Annual Report on Form 10-K for the fiscal year ended September 30, 2016. These factors are not intended to be an all-inclusive list of risks and uncertainties that may affect the operations, performance, development and results of our business, but instead are the risks that we currently perceive as potentially being material. Such factors include: (i) economic changes nationally or in local markets, changes in consumer confidence, declines in employment levels, inflation or increases in the quantity and decreases in the price of new homes and resale homes on the market; (ii) the cyclical nature of the homebuilding industry and a potential deterioration in homebuilding industry conditions; (iii) factors affecting margins, such as decreased land values underlying land option agreements, increased land development costs on communities under development or delays or difficulties in implementing initiatives to reduce our production and overhead cost structure; (iv) our cost of and ability to access capital, due to factors such as limitations in the capital markets or adverse credit market conditions, and otherwise meet our ongoing liquidity needs, including the impact of any downgrades of our credit ratings or reductions in our tangible net worth or liquidity levels; (v) our ability to reduce our outstanding indebtedness and to comply with covenants in our debt agreements or satisfy such obligations through repayment or refinancing; (vi) the availability and cost of land and the risks associated with the future value of our inventory, such as additional asset impairment charges or writedowns; (vii) estimates related to homes to be delivered in the future (backlog) are imprecise, as they are subject to various cancellation risks that cannot be fully controlled; (viii) shortages of or increased prices for labor, land or raw materials used in housing production and the level of quality and craftsmanship provided by our subcontractors; (ix) a substantial increase in mortgage interest rates, increased disruption in the availability of mortgage financing, a change in tax laws regarding the deductibility of mortgage interest for tax purposes or an increased number of foreclosures; (x) increased competition or delays in reacting to changing consumer preferences in home design; (xi) continuing severe weather conditions or other related events could result in delays in land development or home construction, increase our costs or decrease demand in the impacted areas; (xii) estimates related to the potential recoverability of our deferred tax assets; (xiii) potential delays or increased costs in obtaining necessary permits as a result of changes to, or complying with, laws, regulations or governmental policies, and possible penalties for failure to comply with such laws, regulations or governmental policies, including those related to the environment; (xiv) the results of litigation or government proceedings and fulfillment of the obligations in the consent orders with governmental authorities and other settlement agreements; (xv) the impact of construction defect and home warranty claims, including water intrusion issues in Florida; (xvi) the cost and availability of insurance and surety bonds; (xvii) the performance of our unconsolidated entities and our unconsolidated entity partners; (xviii) the impact of information technology failures or data security breaches; (xix) terrorist acts, natural disasters, acts of war or other factors over which the Company has little or no control; or (xx) the impact on homebuilding in key markets of governmental regulations limiting the availability of water.

BEAZER HOMES

Introduction

Allan Merrill -	**President & Chief Executive Officer**
Bob Salomon -	**EVP & Chief Financial Officer**
David Goldberg -	**Vice President, Treasurer**

BEAZER HOMES

Operational Expectations for FY17 and Beyond

- Generate top line growth through higher absorption pace and increased ASP

- Improve operating margin through both higher gross margin and increased SG&A leverage

- Increase our investments to accelerate community count growth in FY18 and beyond

- Expand our age-restricted Gatherings business across our geographic footprint

BEAZER HOMES

The Gatherings

- Age-restricted, four story, 27-unit condominiums
- Provides convenience, safety, and low cost maintenance
- Allows buyers to downsize while remaining in, or near, their current neighborhoods
- Density of this product allows us to offer an exceptional value at an affordable price

BEAZER HOMES

4^{th} Quarter Highlights

- New Home Orders
  - Sales absorption rate of 2.8 per community per month leading to 1,346 orders
- Homebuilding Revenue
  - $620 million in Homebuilding Revenue, up 1.4% YoY
- Closings
  - Higher backlog conversion ratio of 76.5% resulting in 1,856 Closings
- Average Sales Price (ASP)
  - ASP of $334 thousand, up 3.5% YoY
  - 9/30 Backlog ASP of more than $340 thousand
- Gross Margin*
  - Gross Margin* of 20.8%, up 10 basis points sequentially and 60 basis points from Q2
- SG&A
  - 10.6% of Total Revenue
- Adjusted EBITDA**
  - $66.0 million of Adjusted EBITDA**
- Net Loss
  - Net Loss from Continuing Operations of $789 thousand

*Excludes impairments, abandonments, interest included in cost of sales and certain warranty items
**Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix

“2B-10” Plan Ranges vs. LTM Results

		"2B-10" Plan Ranges	FY15 Results	FY16 Results
Revenue	Sales / Community/ Month	2.8 - 3.2	2.8	2.7
	Average Sales Price ("ASP")	$330k - $340k	$313.5k	$329.4k
	Average Community Count	170 - 175	161	166
	Total Revenue	$2.0 billion	$1.6 billion	$1.8 billion
Margin	HB Gross Margin*%	21% - 22%	21.5%	20.6%
	SG&A (% of Total Revenue)	11% - 12%	12.8%	12.3%
	EBITDA**	$200 million	$144.1 million	$156.3 million

“2B-10” is a multi-year plan to reach $2 billion in Revenue and 10% EBITDA Margin

BEAZER HOMES

*Excludes impairments, abandonments, interest included in cost of sales and certain warranty items
**Details are included on the “Adjusted EBITDA Reconciliation” slide in the appendix

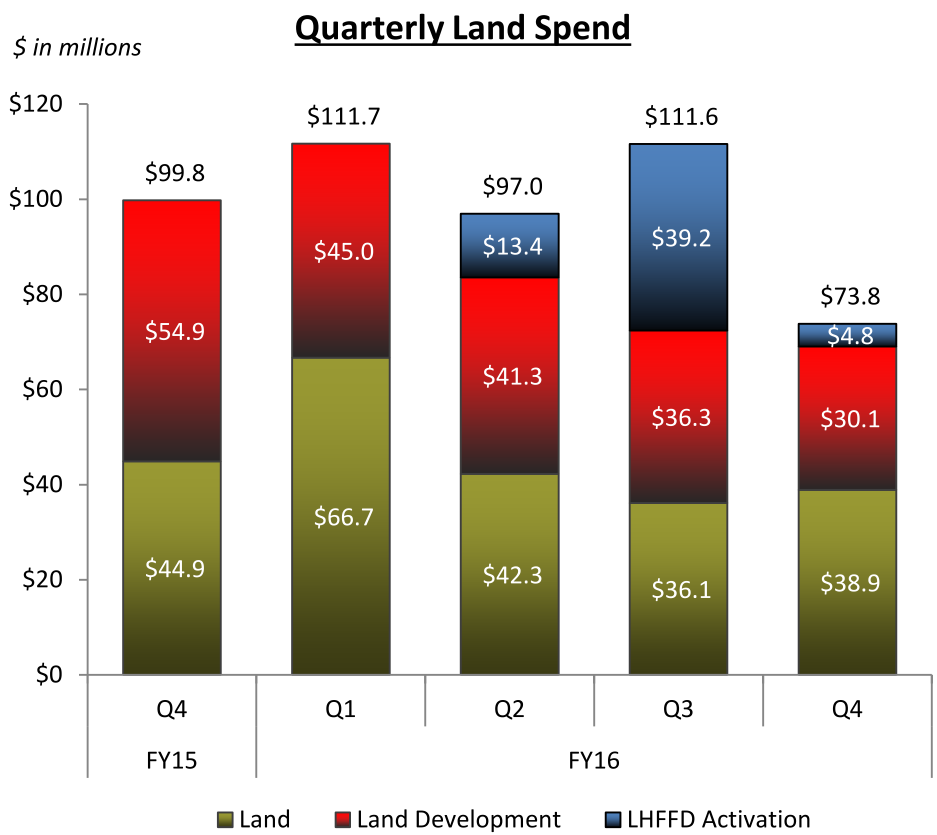
1st Quarter Expectations

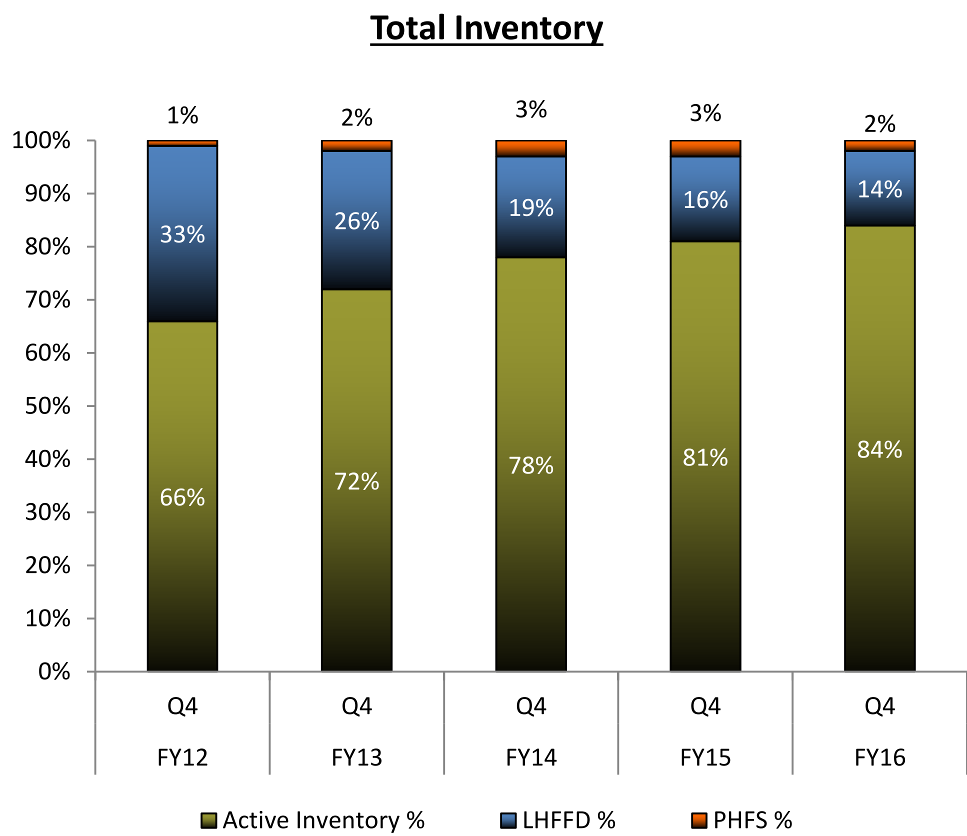
- New Home Orders
  - Sales growth of about 10% relative to prior year
- Closings
  - Backlog conversion in the low 50's
- Average Sales Price (ASP)
  - Mid $330 thousand range
- Gross Margin
  - Up year over year and relatively flat sequentially
- SG&A
  - SG&A leverage up slightly from prior year, but well below first quarter of fiscal 2015
- Land Spend
  - Similar to first quarter of fiscal 2016, where we spent greater than $100 million

BEAZER HOMES

Achieving Growth with Increased Capital Efficiency

At September 30, 2016:
23,356 total controlled lots
19,280 active lots



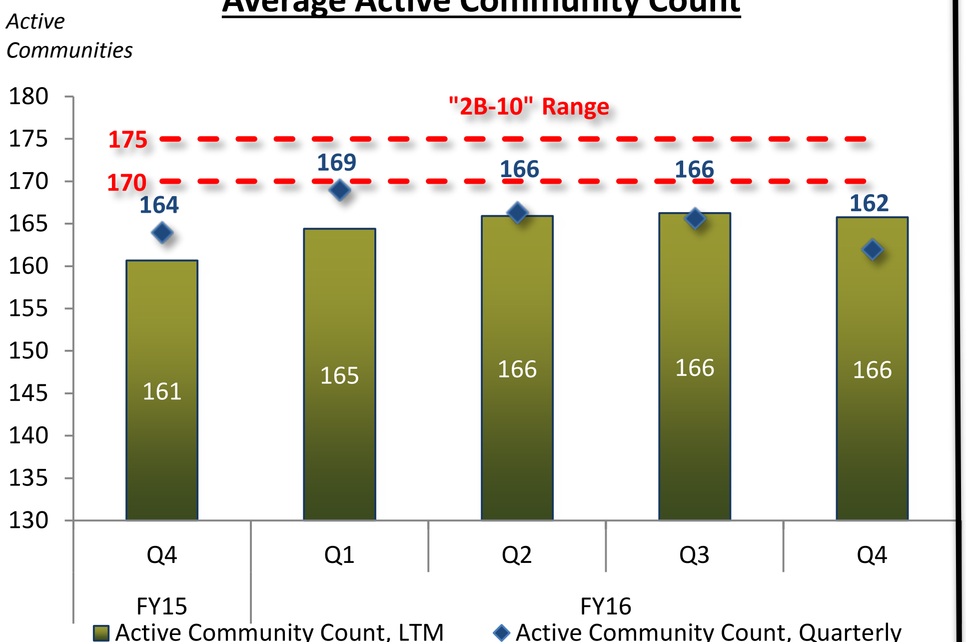


Option Lots as % of Active Lots				
24%	**27%**	**28%**	**27%**	**33%**

BEAZER HOMES

Community Count

Average Active Community Count



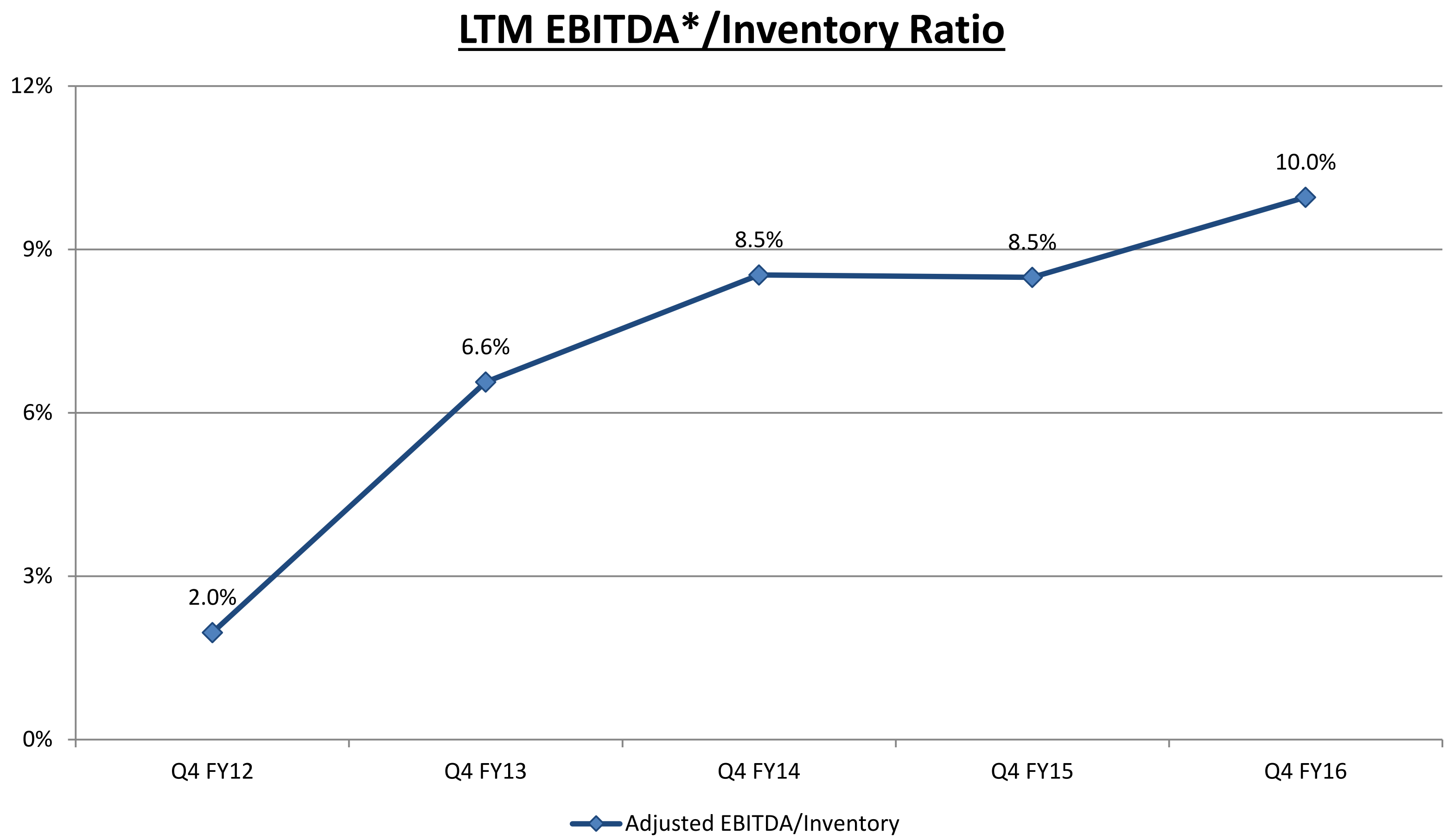
Community Count Activity

Active Communities at 9/30/16	161
Communities Under Development	32
Communities Approved But Not Yet Closed	46
Near-Term Closeouts (next +/- 6 months)	30

The information above is as of 09/30/16

Note: An active community has achieved at least 2 initial sales and has at least 2 unsold units remaining

Improving Capital Efficiency

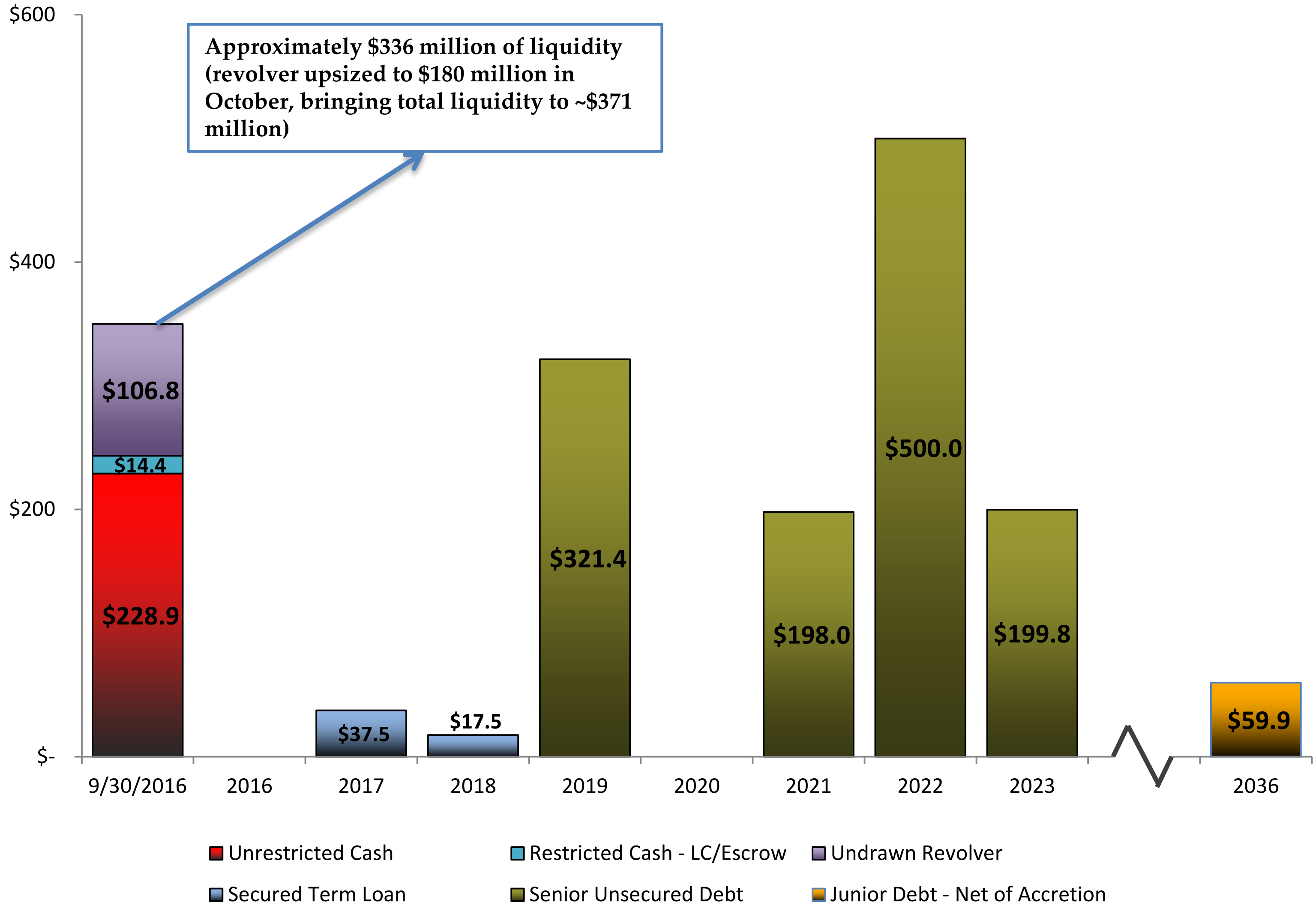


BEAZER HOMES

*Adjusted EBITDA excludes the impact of certain warranty items (net of expected insurance recoveries) and a litigation settlement recorded in discontinued operations; details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix

Maturity Schedule as of 9/30/2016

$ in millions



BEAZER HOMES

Notes: There are an additional $15.1 million of Secured Notes on the balance sheet with various maturity dates

Review of FY16 Achievements and FY17 Goals

Fiscal Year 2016 Achievements

- Generated fifth consecutive year of EBITDA growth
- Reduced debt and interest expense
- Greatly improved our return on assets

Fiscal Year 2017 Goals

- Generate top line growth
- Improve operating margin
- Invest to accelerate growth in FY18 and beyond
  - Expand Gatherings business

Appendices

Q4 Results

$ in millions, except ASP

		Q4 FY15		Q4 FY16		Δ
Profitability						
Total Revenue	$	632.9	$	632.1		(0.1)%
Adjusted EBITDA*	$	71.1	$	65.9	$	(5.2)
Net Income/Loss	$	356.3	$	(0.9)	$	(357.1)
Unit Activity						
Orders		1,170		1,346		15.0%
Closings		1,896		1,856		(2.1)%
Average Sales Price ($000's)	$	322.6	$	334.0		3.5%
Cancellation Rate		24.2%		20.4%		(380 bps)
Active Community Count, Avg**		164		162		(1.2)%
Sales/Community/Month		2.4		2.8		0.4
Margins						
HB Gross Margin***		21.3%		20.8%		(50 bps)
SG&A (% of Total Revenue)		10.4%		10.6%		20 bps
Balance Sheet						
Unrestricted Cash	$	251.6	$	228.9	$	(22.7)
Land & Development Spending	$	99.8	$	69.0	$	(30.7)

Note: Variances are calculated using un-rounded numbers
*Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
**Active Community Count was 166 at 9/30/2015 and 161 at 9/30/2016
***Excludes impairments, abandonments, interest included in cost of sales and certain warranty items

BEAZER HOMES

Fiscal Year Results

$ in millions, except ASP

	FY15	FY16	Δ
Profitability			
Total Revenue	$ 1,627.4	$ 1,822.1	12.0%
Adjusted EBITDA*	$ 144.1	$ 156.3	$ 12.2
Net Income/Loss	$ 344.1	$ 4.7	$ (339.4)
Unit Activity			
Orders	5,358	5,297	(1.1)%
Closings	5,010	5,419	8.2%
Average Sales Price ($000's)	$ 313.5	$ 329.4	5.1%
Cancellation Rate	20.1%	20.4%	30 bps
Active Community Count, Avg**	161	166	3.1%
Sales/Community/Month	2.8	2.7	(0.1)
Margins			
HB Gross Margin***	21.5%	20.6%	(90 bps)
SG&A (% of Total Revenue)	12.8%	12.3%	(50 bps)
Balance Sheet			
Unrestricted Cash	$ 251.6	$ 228.9	$ (22.7)
Land & Development Spending	$ 453.3	$ 336.9	$ (116.4)

Note: Variances are calculated using un-rounded numbers
*Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
**Active Community Count was 166 at 9/30/2015 and 161 at 9/30/2016
***Excludes impairments, abandonments, interest included in cost of sales and certain warranty items

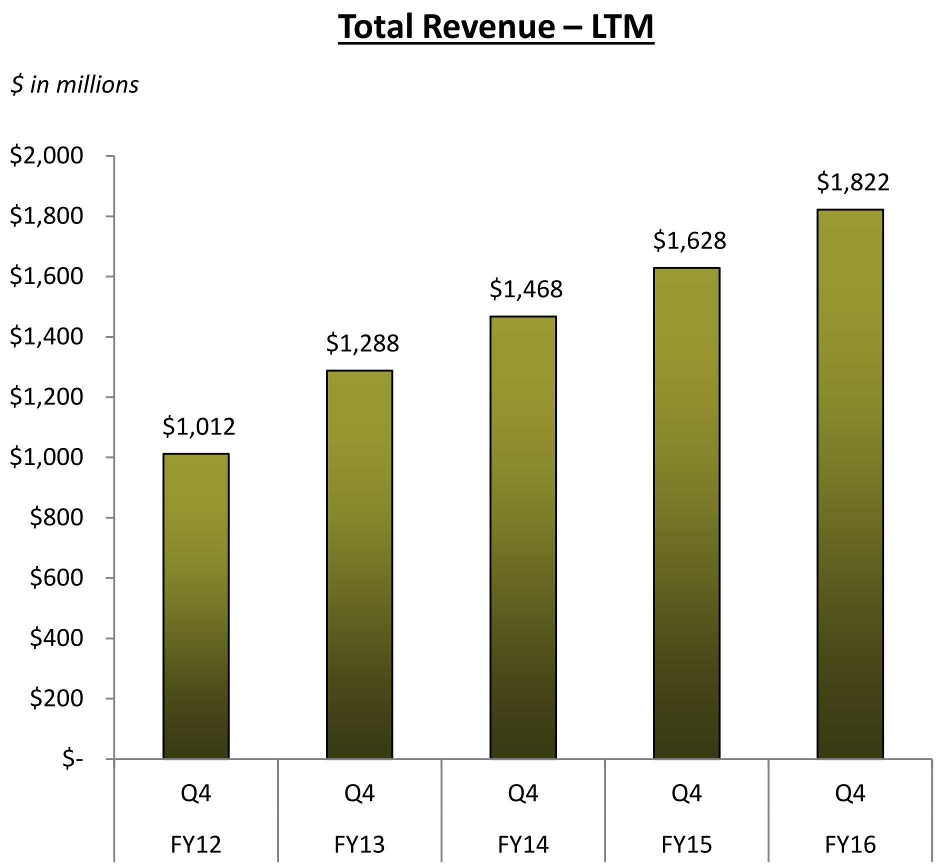
BEAZER HOMES

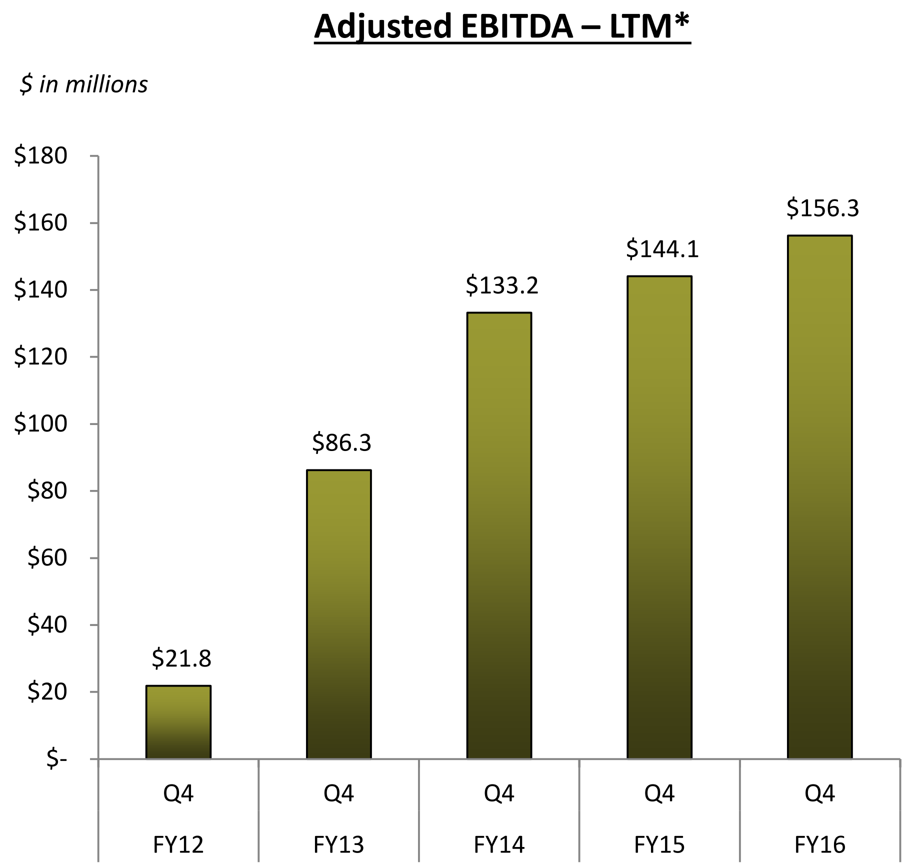
Backlog Detail

		Q4 FY15		Q4 FY16
Quarter Ending Backlog (units)		2,038		1,916
Quarter Ending Backlog ($ in millions)	$	667.7	$	652.7
ASP in Backlog ($ in thousands)	$	327.6	$	340.6
Quarter Beg. Backlog		2,764		2,426
Scheduled to Close in Future Qtrs.		(970)		(746)
Backlog Scheduled to Close in the Qtr.		1,794		1,680
Backlog Activity:				
Cancellations		(129)		(128)
Pushed to Future Quarters		(164)		(154)
Close Date Brought Forward		82		66
Sold & Closed During the Qtr		313		392
Total Closings in the Quarter		1,896		1,856
Backlog Conversion Rate		**68.6%**		**76.5%**

BEAZER HOMES

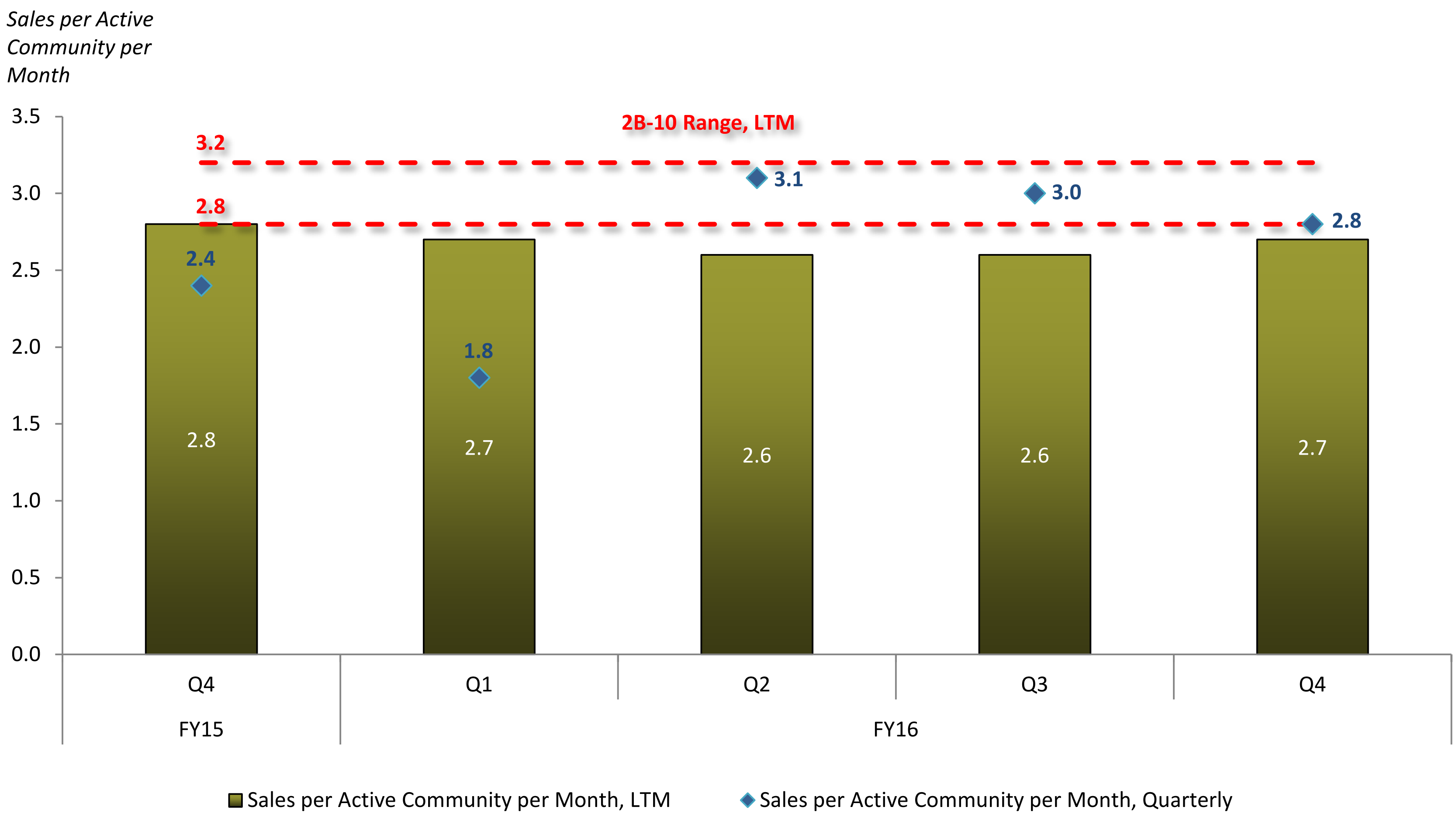
Increases in LTM Revenue and EBITDA





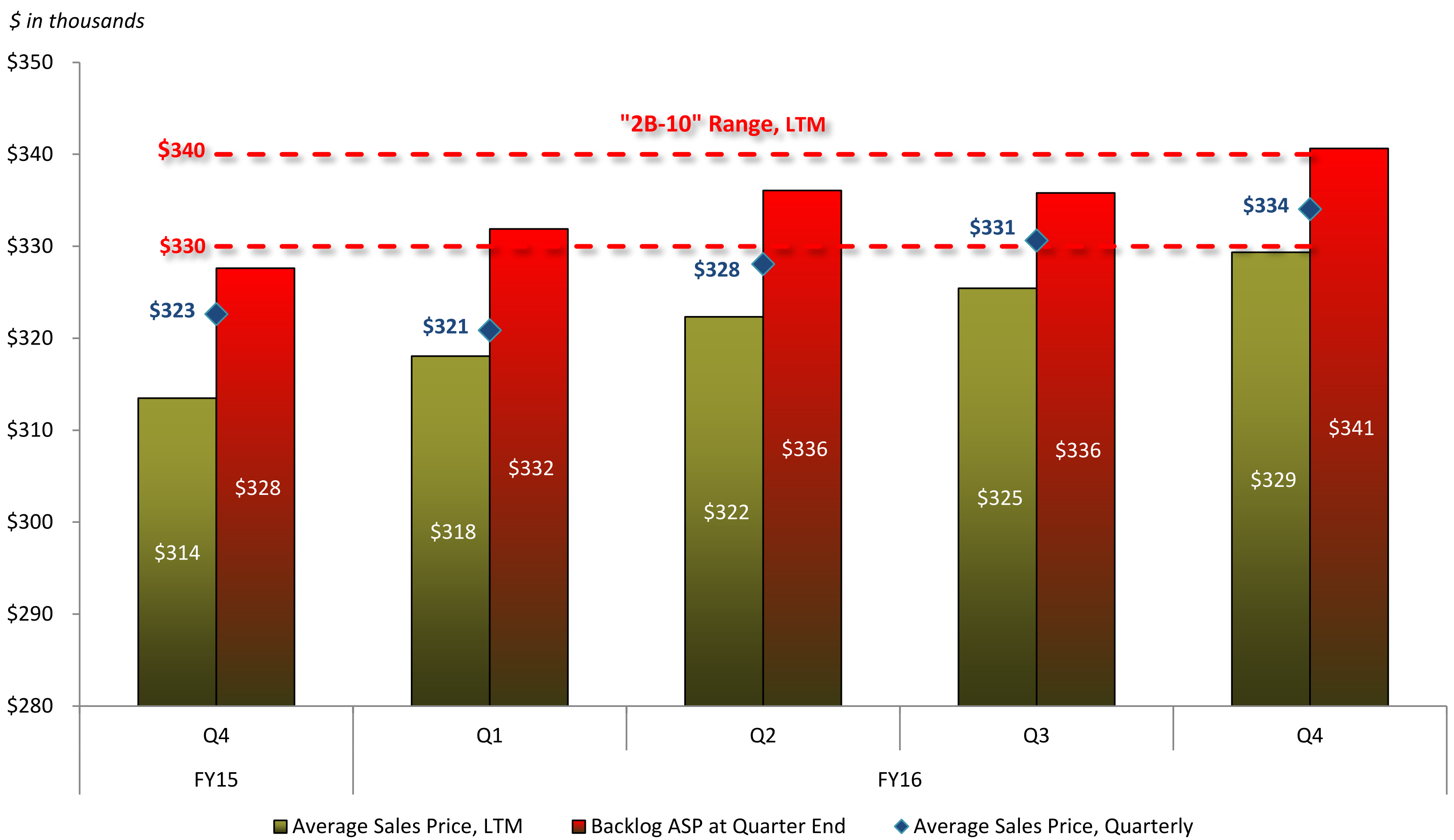
*Adjusted EBITDA excludes the impact of certain warranty items (net of expected insurance recoveries) and a litigation settlement recorded in discontinued operations; details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix

Sales Pace Near "2B-10" Goals



Note: An active community has achieved at least 2 initial sales and has at least 2 unsold units remaining

Backlog ASP Suggests Further Growth

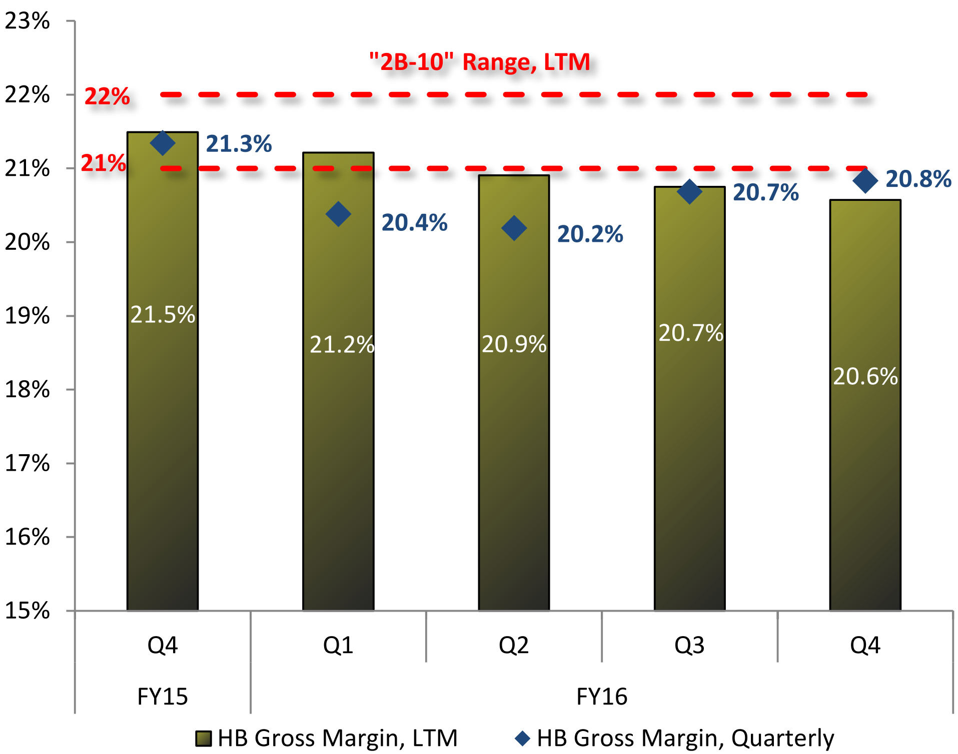


BEAZER HOMES

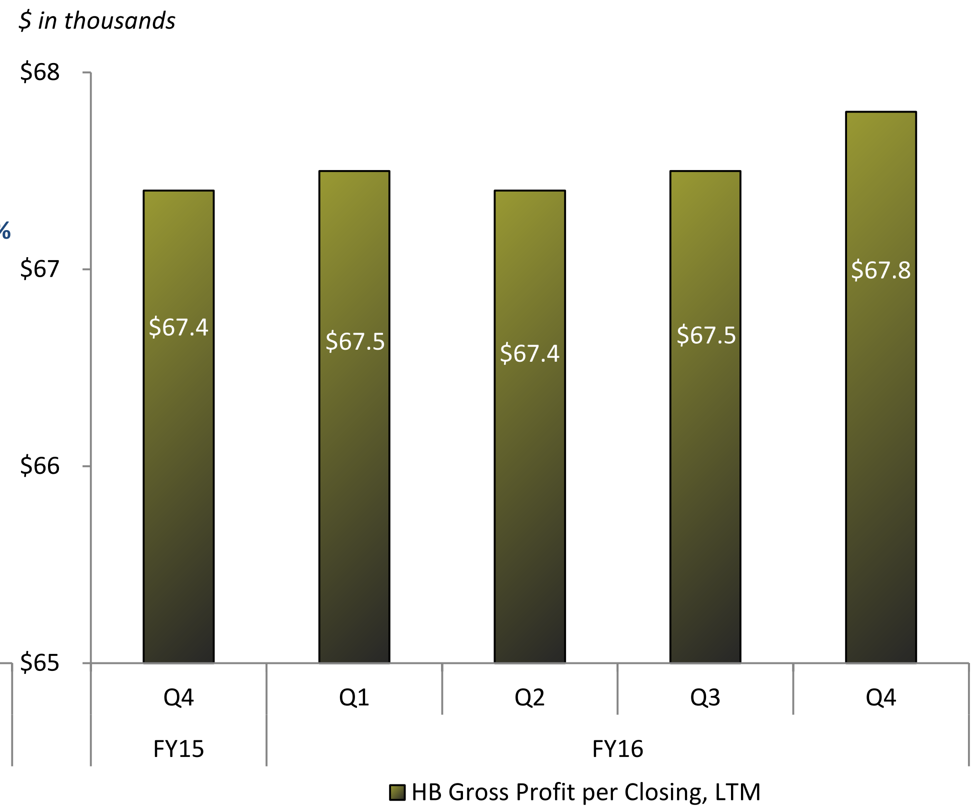
2B 10

Gross Margin Approaching "2B-10" Range

Homebuilding Gross Margin*

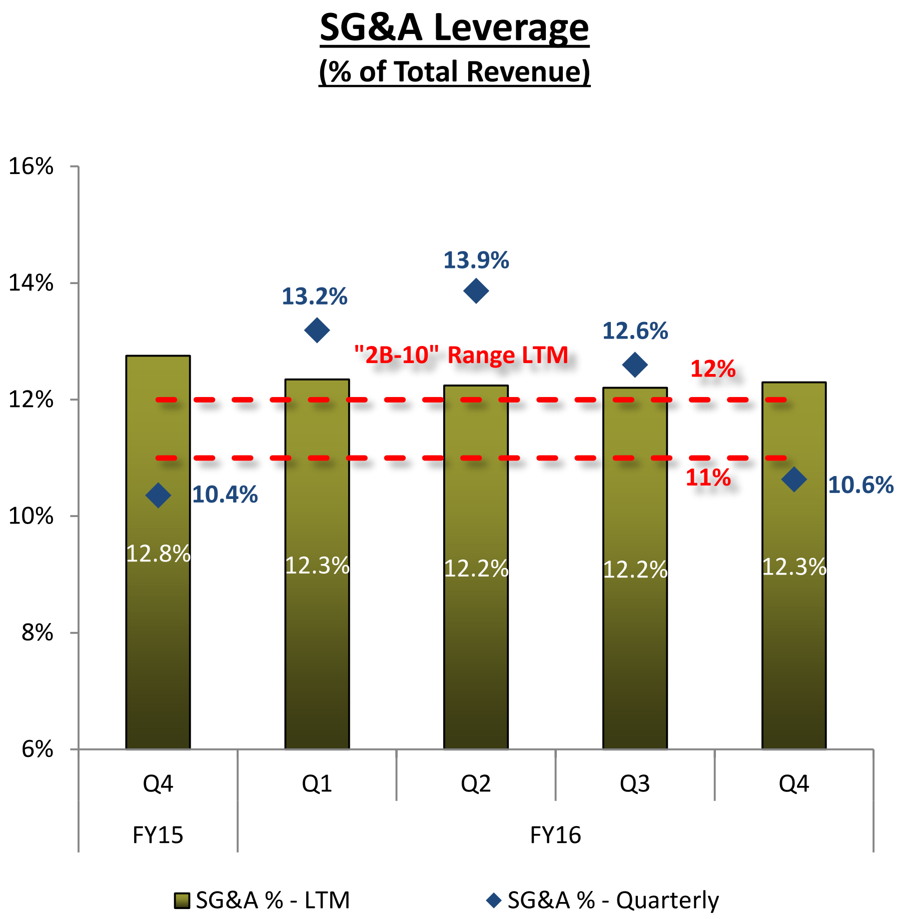


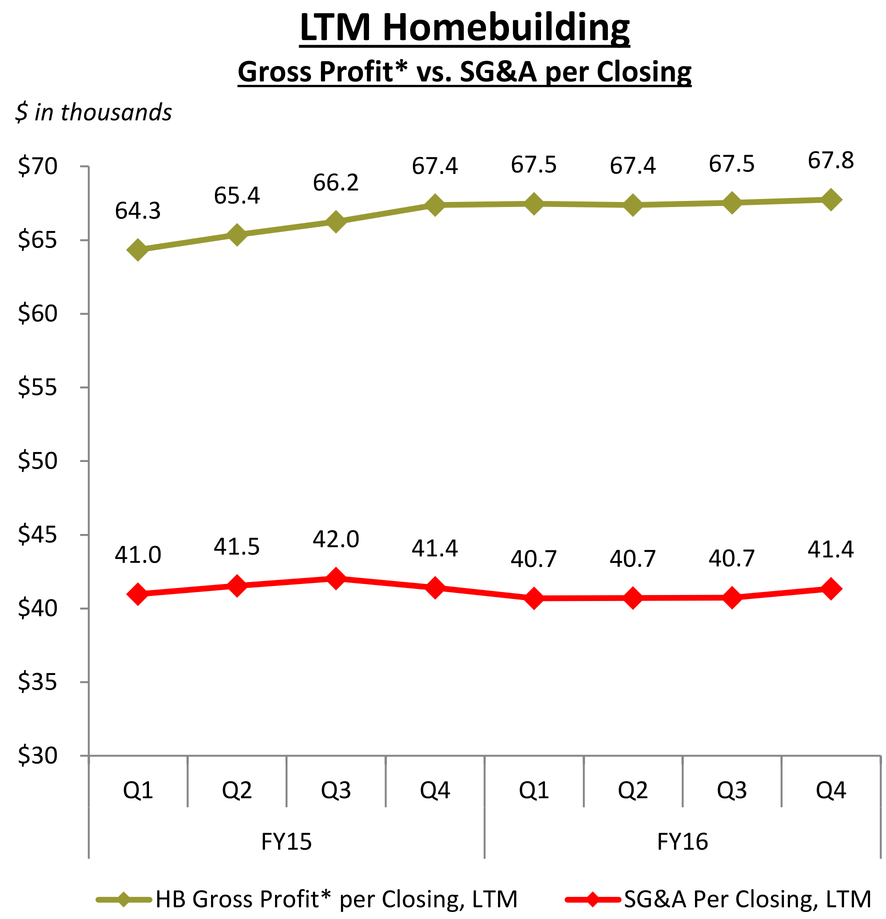
Homebuilding Gross Profit Dollars Per Closing*



*Excludes impairments, abandonments and interest included in cost of sales as well as certain warranty items.

SG&A Leverage as Revenue Grows





*Excludes impairments, abandonments, interest included in cost of sales and certain warranty items

Capital Efficiency Strategies: Impact on Margin

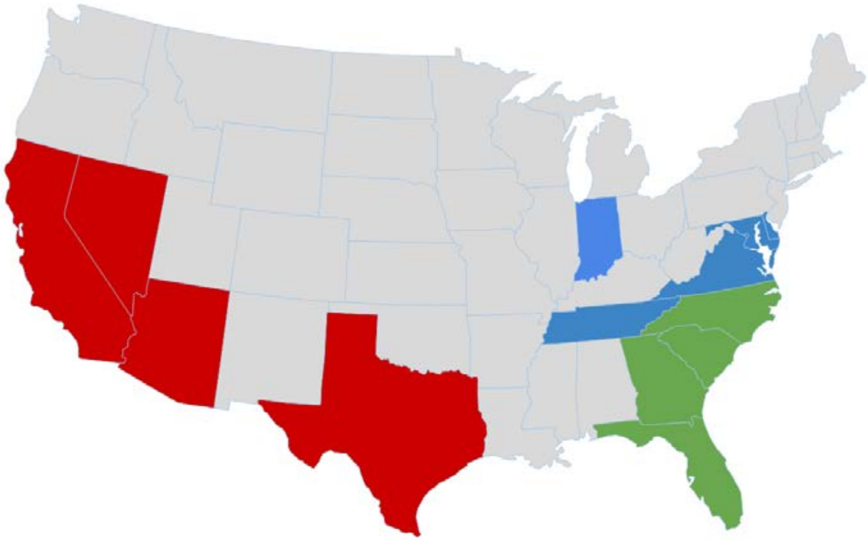
Fiscal Year 2017				
Capital Strategy	**Rationale**	**Margin Impact**	**% of Revenue**	**Total Impact**
Former LHFFD Assets	Cash generation Incremental EBITDA	~ 800 bps	~ 5%	~ 40 bps
Land Banking Transactions	Incremental EBITDA Higher IRR on investments	~ 400 bps	~ 15%	~ 60 bps
				~ 100 bps

Fiscal Year 2017 impact similar to Fiscal Year 2016

BEAZER HOMES

Geographic Mix Impacts Year-Over-Year Q4 ASP

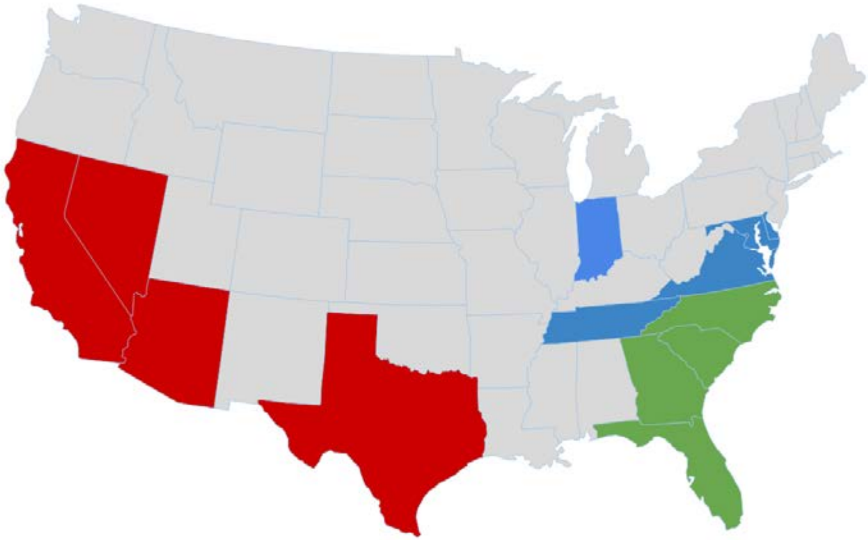
	Q4 FY15 ASP	Q4 FY15 Closings	Q4 FY16 ASP	Q4 FY16 Closings	Change in ASP ($)	Change in ASP (%)	Change in Mix
West	$316K	41.0%	$335K	45.4%	$19K	6.0%	4.4%
East	$361K	29.5%	$371K	25.1%	$10K	2.8%	-4.4%
SE	$294K	29.4%	$301K	29.5%	$7K	2.4%	0.1%



Note: Variances are calculated using un-rounded numbers

Geographic Mix Impacts Year-Over-Year Q4 Margin

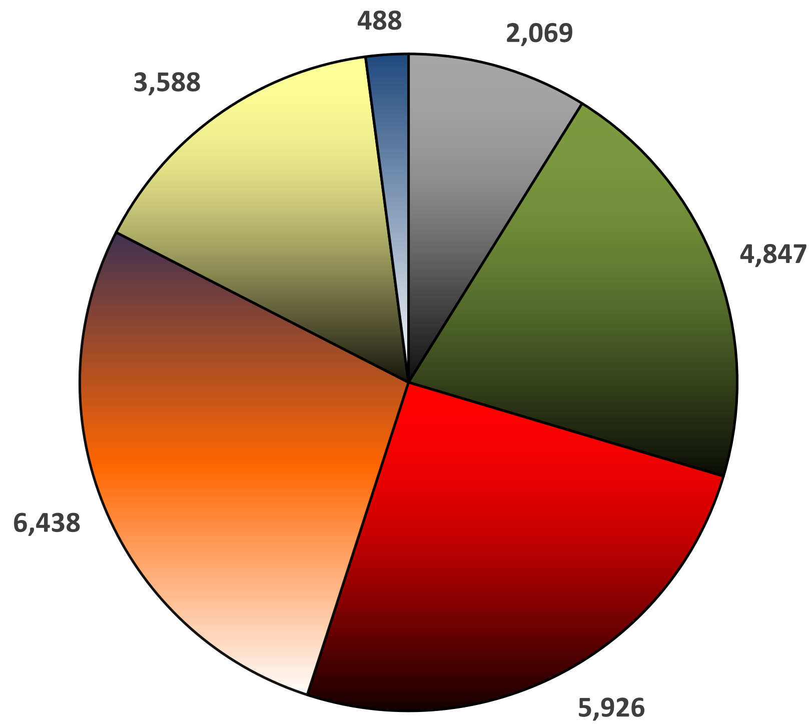
	Q4 FY15 GM%	Q4 FY15 Closings	Q4 FY16 GM%	Q4 FY16 Closings	Change in GM%	Change in Mix
West	21.0%	41.1%	21.9%	45.4%	90bps	4.4%
East	20.5%	29.5%	21.7%	25.1%	120bps	-4.4%
SE	21.8%	29.4%	20.6%	29.5%	(120)bps	0.1%



Note: Segment gross margin excludes required capitalization of indirects, impairments, and interest included in cost of sales

Land Position

Lot Position at September 30, 2016

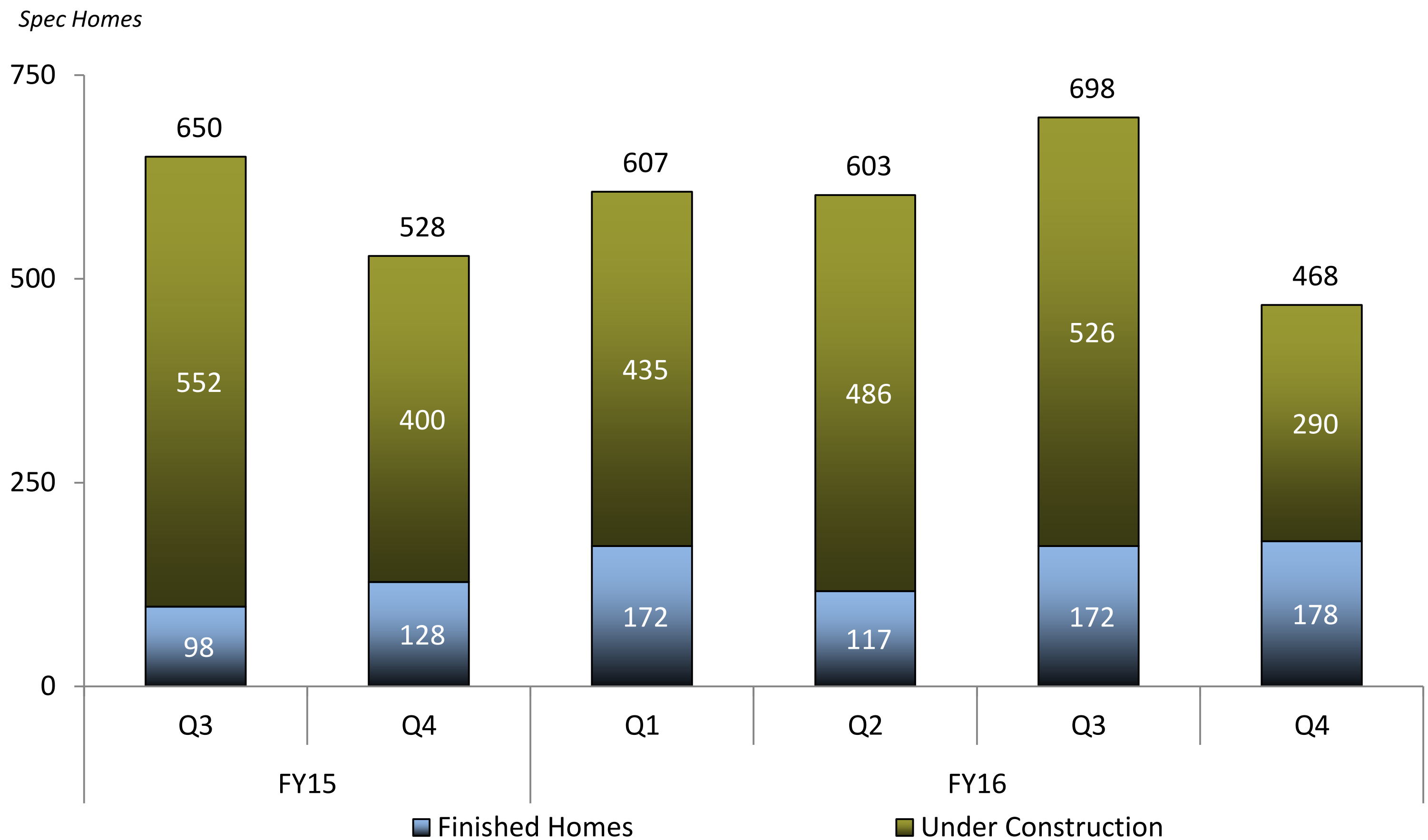


Immediate Availability
- Homes Under Construction
- Finished Lots

Near-Term Availability
- Owned Land Under Development
- Lots Under Option

Long-Term and Non-Strategic Assets
- Land Held for Future Development
- Property Held for Sale

Available Specs



Note: Spec count as of each quarter-end

Debt Structure

(In thousands)	Maturity Date	Call Date	Call Price	September 30, 2016	September 30, 2015
8 1/8% Senior Notes	June 2016			$ -	$ 170,879
6 5/8% Senior Secured Notes	Apr 2018			-	300,000
9 1/8% Senior Notes	May 2019			-	235,000
5 3/4% Senior Notes	June 2019		100.000	321,393	325,000
7 1/2% Senior Notes	September 2021	9/15/2016	105.625	198,000	200,000
8 3/4% Senior Notes	March 2022	3/15/2019	104.375	500,000	-
7 1/4% Senior Notes	February 2023	2/1/2018	103.625	199,834	200,000
Unamortized debt premiums (discounts)				2,362	(3,639)
Unamortized debt issuance costs				(14,063)	(11,908)
Total Senior Notes, net				**1,207,526**	**1,415,332**
Term Loan	March 2018			52,669	-
Junior Subordinated Notes	July 2036			59,870	57,803
Cash Secured Loans	November 2017			-	22,368
Other Secured Notes payable	Various Dates			11,813	20,864
Total debt				**$ 1,331,878**	**$ 1,516,367**

Reflects refinancings and retirement of debt in fiscal year 2016

Notes:

Term Loan net of unamortized discount of $2,331

Junior Subordinated Notes net of unamortized accretion of $40,903 and $42,970, respectively

BEAZER HOMES

Adjusted EBITDA Reconciliation

	Fiscal Year Ended September 30				
	2016	2015	2014	2013	2012
Net income (loss)	$ 4,693	$ 344,094	$ 34,383	$ (33,868)	$ (145,326)
Provision (benefit) from income taxes	16,224	(325,927)	(41,802)	(3,684)	(40,747)
Interest amortized to home construction and land sales expenses, capitalized interest impaired and interest expense not qualified for capitalization	79,322	56,164	41,065	41,246	61,227
Interest expense not qualified for capitalization	25,388	29,822	50,784	59,458	71,474
Depreciation and amortization and stock compensation	21,752	19,473	15,866	15,642	17,573
Inventory impairments and abandonments	14,572	3,109	8,062	2,650	12,514
Joint venture impairment and abandonment charges	-	-	-	181	36
Loss on debt extinguishment	13,423	80	19,917	4,636	45,097
Adjusted EBITDA	$ 175,374	$ 126,815	$ 128,275	$ 86,261	$ 21,848
Unexpected warranty costs related to Florida stucco issues (net of expected insurance recoveries)	(3,612)	13,582	4,290	-	-
Unexpected warranty costs related to water intrusion issues in New Jersey (net of expected insurance	-	-	648	-	-
Additional insurance recoveries from third-party	(15,500)	-	-	-	-
Litigation settlement in discontinued operations	-	3,660	-	-	-
Adjusted EBITDA excluding unexpected warranty costs and a litigation settlement in discontinued operations	$ 156,262	$ 144,057	$ 133,213	$ 86,261	$ 21,848

YoY Increase in Adjusted EBITDA excluding unexpected warranty costs, insurance recoveries, and a litigation settlement in discontinued operations	12,205	10,844	46,952	64,413

BEAZER HOMES

Shares Outstanding

	Q4 FY16
Shares Outstanding at period end	33.1 million
Future conversion of stock options & restricted stock	0.7 million
Total future shares outstanding upon conversions	33.8 million

	Q4 FY16
Basic weighted average shares	31.8 million
Diluted weighted average shares	31.8 million

BEAZER HOMES

Deferred Tax Asset

($ in millions)	Sep 30, 2015	Sep 30, 2016
Deferred Tax Assets	$ 383.0	$ 376.3
Valuation Allowance	(57.6)	(66.3)
Net Deferred Tax Assets	$ 325.4	$ 310.0

As of September 30, 2016, our valuation allowance of $66.3 million related to our deferred tax assets remains consistent with the determinations we made during the period ended September 30, 2015. The $8.6 million increase in valuation allowance during the fiscal year relates to certain state tax attributes impacted by our legal entity restructuring. See Form 10-K for additional detail

BEAZER HOMES