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, 2026
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 001-12822

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

Delaware **(State or other jurisdiction of incorporation or organization)**	**58-2086934** **(I.R.S. Employer Identification No.)**
2002 Summit Boulevard NE, 15th Floor, Atlanta, Georgia **(Address of principal executive offices)**	**30319** **(Zip Code)**

(770) 829-3700
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value	BZH	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 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 the filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer ☒	Accelerated filer ☐	Non-accelerated filer ☐	Smaller reporting company ☐	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock outstanding as of April 27, 2026: 27,333,825

BEAZER HOMES USA, INC.
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

BEAZER HOMES USA, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

in thousands (except share and per share data)	**March 31, 2026**	September 30, 2025
ASSETS		
Cash and cash equivalents	**$ 116,440**	$ 214,705
Restricted cash	**3,961**	3,866
Accounts receivable (net of allowance of $266 and $266, respectively)	**85,481**	78,145
Income tax receivable	**1,730**	—
Inventory	**2,252,872**	2,029,433
Deferred tax assets, net	**159,584**	142,647
Property and equipment, net	**53,176**	47,945
Operating lease right-of-use assets	**29,892**	34,987
Goodwill	**11,376**	11,376
Other assets	**42,968**	46,604
Total assets	**$ 2,757,480**	$ 2,609,708
LIABILITIES AND STOCKHOLDERS' EQUITY		
Trade accounts payable	**$ 156,983**	$ 143,481
Operating lease liabilities	**25,393**	27,762
Other liabilities	**178,328**	160,445
Total debt (net of debt issuance costs of $5,762 and $6,611, respectively)	**1,225,996**	1,029,114
Total liabilities	**1,586,700**	1,360,802
Stockholders' equity:		
Preferred stock (par value $0.01 per share, 5,000,000 shares authorized, no shares issued)	—	—
Common stock (par value $0.001 per share, 63,000,000 shares authorized, 28,331,558 issued and outstanding and 29,762,293 issued and outstanding, respectively)	**28**	30
Paid-in capital	**780,480**	825,103
Retained earnings	**390,272**	423,773
Total stockholders' equity	**1,170,780**	1,248,906
Total liabilities and stockholders' equity	**$ 2,757,480**	$ 2,609,708

See accompanying notes to condensed consolidated financial statements.

BEAZER HOMES USA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

in thousands (except per share data)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Six Months Ended March 31, 2026	Six Months Ended March 31, 2025
Total revenue	**$ 409,846**	$ 565,339	**$ 773,337**	$ 1,034,292
Home construction and land sales expenses	**359,851**	478,813	**683,768**	875,688
Inventory impairments and abandonments	**1,295**	528	**3,665**	528
Gross profit	**48,700**	85,998	**85,904**	158,076
Commissions	**13,390**	18,783	**25,406**	34,896
General and administrative expenses	**50,194**	49,199	**103,183**	98,971
Depreciation and amortization	**4,084**	4,647	**8,126**	8,702
Operating (loss) income	**(18,968)**	13,369	**(50,811)**	15,507
Other income, net	**433**	799	**1,211**	1,827
(Loss) income before income taxes	**(18,535)**	14,168	**(49,600)**	17,334
(Benefit) expense from income taxes	**(17,631)**	1,390	**(16,099)**	1,426
Net (loss) income	**$ (904)**	$ 12,778	**$ (33,501)**	$ 15,908
Weighted-average number of shares:				
Basic	**27,990**	30,119	**28,464**	30,274
Diluted	**27,990**	30,265	**28,464**	30,479
(Loss) income per share:				
Basic	**$ (0.03)**	$ 0.42	**$ (1.18)**	$ 0.53
Diluted	**$ (0.03)**	0.42	**$ (1.18)**	0.52

See accompanying notes to condensed consolidated financial statements.

BEAZER HOMES USA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

	Three Months Ended March 31, 2026				
	Common Stock				
in thousands	Shares	Amount	Paid-in Capital	Retained Earnings	Total
Balance as of December 31, 2025	29,507	$ 30	$ 809,042	$ 391,176	$ 1,200,248
Net loss and comprehensive loss	—	—	—	(904)	(904)
Stock-based compensation expense	—	—	1,876	—	1,876
Shares issued under employee stock plans, net	1	—	—	—	—
Common stock redeemed for tax liability	—	—	(4)	—	(4)
Share repurchases	(1,176)	(2)	(30,434)	—	(30,436)
Balance as of March 31, 2026	28,332	$ 28	$ 780,480	$ 390,272	$ 1,170,780

	Six Months Ended March 31, 2026				
	Common Stock				
in thousands	Shares	Amount	Paid-in Capital	Retained Earnings	Total
Balance as of September 30, 2025	29,762	$ 30	$ 825,103	$ 423,773	$ 1,248,906
Net loss and comprehensive loss	—	—	—	(33,501)	(33,501)
Stock-based compensation expense	—	—	3,430	—	3,430
Shares issued under employee stock plans, net	565	1	(1)	—	—
Forfeiture and other settlements of restricted stock	(7)	—	—	—	—
Common stock redeemed for tax liability	(115)	—	(2,492)	—	(2,492)
Share repurchases	(1,873)	(3)	(45,560)	—	(45,563)
Balance as of March 31, 2026	28,332	$ 28	$ 780,480	$ 390,272	$ 1,170,780

	Three Months Ended March 31, 2025				
	Common Stock				
in thousands	Shares	Amount	Paid-in Capital	Retained Earnings	Total
Balance as of December 31, 2024	31,202	$ 31	$ 852,702	$ 381,315	$ 1,234,048
Net income and comprehensive income	—	—	—	12,778	12,778
Stock-based compensation expense	—	—	1,712	—	1,712
Stock option exercises	11	—	106	—	106
Shares issued under employee stock plans, net	7	—	—	—	—
Forfeiture and other settlements of restricted stock	(11)	—	—	—	—
Common stock redeemed for tax liability	(1)	—	(15)	—	(15)
Share repurchases	(905)	(1)	(20,561)	—	(20,562)
Balance as of March 31, 2025	30,303	$ 30	$ 833,944	$ 394,093	$ 1,228,067

	Six Months Ended March 31, 2025				
	Common Stock				
in thousands	Shares	Amount	Paid-in Capital	Retained Earnings	Total
Balance as of September 30, 2024	31,048	$ 31	$ 853,895	$ 378,185	$ 1,232,111
Net income and comprehensive income	—	—	—	15,908	15,908
Stock-based compensation expense	—	—	3,625	—	3,625
Stock option exercises	11	—	106	—	106
Shares issued under employee stock plans, net	274	—	—	—	—
Forfeiture and other settlements of restricted stock	(30)	—	—	—	—
Common stock redeemed for tax liability	(95)	—	(3,121)	—	(3,121)
Share repurchases	(905)	(1)	(20,561)	—	(20,562)
Balance as of March 31, 2025	30,303	$ 30	$ 833,944	$ 394,093	$ 1,228,067

See accompanying notes to condensed consolidated financial statements.

BEAZER HOMES USA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

in thousands	Six Months Ended March 31, 2026	2025
Cash flows from operating activities:		
Net (loss) income	**$ (33,501)**	$ 15,908
Adjustments to reconcile net (loss) income to net cash used in operating activities:		
Depreciation and amortization	**8,126**	8,702
Stock-based compensation expense	**3,430**	3,625
Inventory impairments and abandonments	**3,665**	528
(Benefit) expense from income taxes	**(16,099)**	1,426
Gain on disposal of fixed assets	**(67)**	(130)
Changes in operating assets and liabilities:		
Increase in accounts receivable	**(7,336)**	(2,438)
Increase in income tax receivable	**(1,730)**	—
Increase in inventory	**(224,822)**	(191,047)
Decrease in other assets	**6,269**	1,386
Increase in trade accounts payable	**13,502**	20,022
Increase (decrease) in other liabilities	**19,771**	(13,916)
Net cash used in operating activities	**(228,792)**	(155,934)
Cash flows from investing activities:		
Capital expenditures	**(13,357)**	(13,061)
Proceeds from sale of fixed assets	**67**	130
Purchases of investment securities	**(1,059)**	(568)
Proceeds from maturities of investment securities	**—**	4,098
Net cash used in investing activities	**(14,349)**	(9,401)
Cash flows from financing activities:		
Repayment of borrowings from credit facility	**(15,000)**	(165,000)
Borrowings from credit facility	**210,000**	220,000
Debt issuance costs	**(1,974)**	(230)
Repurchase of common stock	**(45,563)**	(20,562)
Tax payments for stock-based compensation awards	**(2,492)**	(3,121)
Stock option exercises	**—**	106
Net cash provided by financing activities	**144,971**	31,193
Net decrease in cash, cash equivalents, and restricted cash	**(98,170)**	(134,142)
Cash, cash equivalents, and restricted cash at beginning of period	**218,571**	242,610
Cash, cash equivalents, and restricted cash at end of period	**$ 120,401**	$ 108,468

See accompanying notes to condensed consolidated financial statements.

BEAZER HOMES USA, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(1) Description of Business

Beazer Homes USA, Inc. (“we,” “us,” “our,” “Beazer,” “Beazer Homes” or the “Company”) is a nationally recognized homebuilder committed to building homes and communities designed to inspire sustainable and healthier living. Operating across 13 states in the West, East, and Southeast geographic regions of the United States, Beazer Homes offers a diverse portfolio of products tailored to meet the evolving needs of homebuyers that value a well-constructed and energy efficient home.

For an additional description of our business, refer to Item 1 within our Annual Report on Form 10-K for the fiscal year ended September 30, 2025 (2025 Annual Report).

(2) Basis of Presentation and Summary of Significant Accounting Policies

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. The unaudited condensed consolidated financial statements do not include all of the information and disclosures required by GAAP for complete financial statements. As such, the accompanying unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 2025 Annual Report. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation have been included in the accompanying unaudited condensed consolidated financial statements. The results of the Company's consolidated operations presented herein for the three and six months ended March 31, 2026 are not necessarily indicative of the results to be expected for the full fiscal year due to seasonal variations in our operations and other factors.

Basis of Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of Beazer Homes USA, Inc. and its consolidated subsidiaries. Intercompany transactions and balances have been eliminated in consolidation. Our net (loss) income is equivalent to our comprehensive (loss) income, so we have not presented a separate statement of comprehensive (loss) income.

Our fiscal year 2026 began on October 1, 2025 and ends on September 30, 2026. Our fiscal year 2025 began on October 1, 2024 and ended on September 30, 2025.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make informed estimates and judgments that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Accordingly, actual results could differ from these estimates.

Share Repurchase Program

In April 2025, the Company's Board of Directors approved a share repurchase program that authorizes the Company to repurchase up to $100.0 million of its outstanding common stock. The repurchase program has no expiration date and repurchases may be conducted through open market purchases, 10b5-1 plans, accelerated share repurchases, or private transactions. The Company repurchased 1.2 million shares of its common stock for an aggregate $30.0 million (inclusive of commissions and exclusive of accrued excise tax) at an average price per share of $25.54 during the three months ended March 31, 2026. This brings the total repurchases for the six months ended March 31, 2026 to 1.9 million shares of common stock for $45.1 million at an average price per share of $24.12. During the three and six months ended March 31, 2025, 905 thousand shares were repurchased for $20.6 million at an average price per share of $22.73. All shares have been retired upon repurchase. As of March 31, 2026, the remaining availability of the share repurchase program was $42.3 million.

Revenue Recognition

We recognize revenue upon the transfer of promised goods to our customers in an amount that reflects the consideration to which we expect to be entitled by applying the process specified in Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*.

The following table presents our total revenue disaggregated by revenue stream for the periods presented:

	Three Months Ended March 31,		Six Months Ended March 31,	
in thousands	**2026**	2025	**2026**	2025
Homebuilding revenue	**$ 397,748**	$ 556,032	**$ 757,490**	$ 1,016,454
Land sales and other revenue	**12,098**	9,307	**15,847**	17,838
Total revenue[a]	**$ 409,846**	$ 565,339	**$ 773,337**	$ 1,034,292

[a] Please see Note 14 for total revenue disaggregated by reportable segment.

Homebuilding revenue

Homebuilding revenue is reported net of price concessions, including discounts on home prices, discounts on homebuilding options and option upgrades. Closing cost incentives, such as seller-paid financing or closing costs, including rate buydowns, are recognized as a cost of selling the home and are included in home construction expenses.

Homebuilding revenue is generally recognized when title to and possession of the home is transferred to the buyer on the closing date. The performance obligation to deliver the home is generally satisfied in less than one year from the original contract date. Home sale contract assets consist of cash from home closings held by title companies in escrow for our benefit, typically for less than five days, and are considered accounts receivable. Contract liabilities include customer deposits related to sold but undelivered homes and totaled $21.1 million and $14.3 million as of March 31, 2026 and September 30, 2025, respectively. Of the customer liabilities outstanding as of September 30, 2025, $4.2 million and $11.3 million were recognized in revenue during the three and six months ended March 31, 2026, upon closing of the related homes.

Land sales and other revenue

Land sales revenue relates to land that does not fit within our homebuilding programs or strategic plans. Land sales typically require cash consideration on the closing date, which is generally when performance obligations are satisfied. We also provide title examinations for our homebuyers in certain markets. Revenues associated with our title operations are recognized when closing services are rendered and title insurance policies are issued, both of which generally occur as each home is closed.

Recent Accounting Pronouncements

Income Taxes. In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU 2023-09 is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 address investor requests for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. ASU 2023-09 will be effective for our fiscal year ending September 30, 2026. Early adoption is permitted and the amendments in this update should be applied on a prospective basis. The Company is currently evaluating the impact that the adoption of ASU 2023-09 may have on our consolidated financial statements and disclosures.

Income Statement Disclosures. In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. ASU 2024-03 requires disclosure of additional information about specific expense categories in the notes to the financial statements. ASU 2024-03 will be effective for our fiscal year ending September 30, 2028. Early adoption is permitted and the amendments in this update should be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact that the adoption of ASU 2024-03 may have on our consolidated financial statements and disclosures.

Credit Losses. In July 2025, the FASB issued ASU 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets,* which allows entities to use the practical expedient to estimate expected credit losses. ASU 2025-05 will be effective for our fiscal year ending September 30, 2027, and interim reporting periods within this annual reporting period, with early adoption permitted. The Company is currently evaluating the impact that the adoption of ASU 2025-05 may have on our consolidated financial statements and disclosures.

Internal-Use Software. In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software,* which modernizes the accounting for the costs of internal-use software by removing all references to software development project stages so that the guidance is neutral to different software development methods. ASU 2025-06 will be effective for our fiscal year ending September 30, 2029, and interim reporting periods within this annual reporting period. Early adoption is permitted and the amendments in this update may be applied on a retrospective, modified transition, or prospective basis. The Company is currently evaluating the impact that the adoption of ASU 2025-06 may have on our consolidated financial statements and disclosures.

(3) Supplemental Cash Flow Information

The following table presents supplemental disclosure of non-cash and cash activity as well as a reconciliation of total cash balances between the condensed consolidated balance sheets and condensed consolidated statements of cash flows for the periods presented:

	Six Months Ended March 31,	
in thousands	**2026**	2025
Supplemental disclosure of non-cash activity:		
Increase in operating lease right-of-use assets[a]	**$ 1,123**	$ 594
Increase in operating lease liabilities[a]	**$ 1,123**	$ 594
Supplemental disclosure of cash activity:		
Interest payments	**$ 39,357**	$ 39,414
Income tax payments	**$ 2,600**	$ 6,606
Reconciliation of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	**$ 116,440**	$ 85,082
Restricted cash	**3,961**	23,386
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	**$ 120,401**	$ 108,468

[a] Represents leases renewed or additional leases that commenced during the six months ended March 31, 2026 and 2025.

(4) Inventory

The components of our inventory are as follows as of March 31, 2026 and September 30, 2025:

in thousands	**As of March 31, 2026**	As of September 30, 2025
Homes under construction	**$ 819,460**	$ 692,327
Land under development	**1,082,296**	1,065,702
Land held for future development	**19,489**	19,489
Land held for sale	**65,772**	47,368
Capitalized interest	**147,786**	131,845
Model homes	**90,144**	72,702
Land not owned under option agreements	**27,925**	—
Total inventory	**$ 2,252,872**	$ 2,029,433

Homes under construction include homes substantially finished and ready for delivery and homes in various stages of construction, including costs of the underlying lot, direct construction costs and capitalized indirect costs. As of March 31, 2026, we had 2,322 homes under construction, including 1,306 speculative (spec) homes totaling $448.6 million (893 in-process spec homes totaling $264.7 million, and 413 finished spec homes totaling $183.9 million). As of September 30, 2025, we had 1,800 homes under construction, including 1,078 spec homes totaling $417.4 million (577 in-process spec homes totaling $201.8 million, and 501 finished spec homes totaling $215.6 million).

Land under development consists principally of land acquisition, land development and other common costs. These land-related costs are allocated to individual lots on a pro-rata basis, and the lot costs are transferred to homes under construction when home construction begins for the respective lots. Certain of the fully developed lots in this category are reserved by a customer deposit or sales contract.

Land held for future development consists of communities for which construction and development activities are expected to occur in the future or have been idled and are stated at cost unless facts and circumstances indicate that the carrying value of the assets may not be recoverable. All applicable carrying costs, such as interest and real estate taxes, are expensed as incurred.

Land held for sale includes land and lots that do not fit within our homebuilding programs or strategic plans in certain markets, and land is classified as held for sale once certain criteria are met (refer to Note 2 to the consolidated financial statements within our 2025 Annual Report). These assets are recorded at the lower of the carrying value or fair value less cost to sell.

The amount of interest we are able to capitalize depends on our qualified inventory balance, which considers the status of our inventory holdings. Our qualified inventory balance includes the majority of our homes under construction and land under development but excludes land held for future development and land held for sale (see Note 5 for additional information on capitalized interest).

Land not owned under option agreements includes the remaining contractual purchase price for certain land and lot option agreements that we account for as financing arrangements pursuant to ASC Subtopic 470-40, *Product Financing Arrangements*, which occurs when we are economically compelled to exercise the option and purchase the land, even though the Company has no direct obligation to pay these future amounts. For these contracts, the remaining purchase price is recorded within land not owned under option agreements with a corresponding liability recorded within obligations related to land not owned under option agreements within other liabilities on our condensed consolidated balance sheet.

Total inventory by reportable segment and Corporate and unallocated is presented in the table below as of March 31, 2026 and September 30, 2025:

in thousands	Projects in Progress[a]	Land Held for Future Development	Land Held for Sale	Total Inventory
March 31, 2026				
West	**$ 1,009,839**	**$ 3,483**	**$ 53,135**	**$ 1,066,457**
East	**436,030**	**10,888**	**7,200**	**454,118**
Southeast	**484,732**	**5,118**	**5,437**	**495,287**
Corporate and unallocated[b]	**237,010**	**—**	**—**	**237,010**
Total	**$ 2,167,611**	**$ 19,489**	**$ 65,772**	**$ 2,252,872**
September 30, 2025				
West	$ 944,601	$ 3,483	$ 29,052	$ 977,136
East	387,954	10,888	16,086	414,928
Southeast	418,497	5,118	2,230	425,845
Corporate and unallocated[b]	211,524	—	—	211,524
Total	$ 1,962,576	$ 19,489	$ 47,368	$ 2,029,433

[a] Projects in progress include homes under construction, land under development, capitalized interest, model homes, and land not owned under option agreements categories from the preceding table.

[b] Projects in progress amount include capitalized interest and indirect costs that are maintained within Corporate and unallocated.

Inventory Impairments

Inventory assets are assessed for recoverability periodically in accordance with the policies described in Notes 2 and 4 to the consolidated financial statements within our 2025 Annual Report.

The following table presents, by reportable segment and Corporate and unallocated, our total impairment and abandonment charges for the periods presented:

in thousands	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Six Months Ended March 31, 2026	Six Months Ended March 31, 2025
Projects in Progress:				
West	**$ 1,174**	$ —	**$ 1,174**	$ —
Corporate and unallocated[a]	**121**	—	**121**	—
Total impairment charges on projects in progress	**1,295**	—	**1,295**	—
Land Held for Sale:				
West	**$ —**	$ —	**45**	—
East	**—**	—	**878**	—
Corporate and unallocated[a]	**—**	—	**122**	—
Total impairment charges on land held for sale	**—**	—	**1,045**	—
Abandonments:				
West	**—**	528	**1,304**	528
East	**—**	—	**21**	—
Total abandonments charges	**—**	528	**1,325**	528
Total impairment and abandonment charges	**$ 1,295**	$ 528	**$ 3,665**	$ 528

[a] Amount represents capitalized interest and indirects balance that was impaired. Capitalized interest and indirects are maintained within Corporate and unallocated.

Projects in Progress Impairments

Projects in progress inventory includes homes under construction and land under development grouped together as communities. Projects in progress are stated at cost unless facts and circumstances indicate that the carrying value of the assets may not be recoverable.

We assess our projects in progress inventory for indicators of impairment at the community level on a quarterly basis. If indicators of impairment are present for a community with more than ten homes remaining to close, we perform a recoverability test by comparing the expected undiscounted cash flows for the community to its carrying value. If the aggregate undiscounted cash flows are in excess of the carrying value, the asset is considered to be recoverable and is not impaired. If the carrying value exceeds the aggregate undiscounted cash flows, we perform a discounted cash flow analysis to determine the fair value of the community, and impairment charges are recorded if the fair value of the community's inventory is less than its carrying value.

Valuation assumptions for communities tested for impairment are specific to each community. For projects in progress impaired during the periods presented, we determined the fair value of each community by discounting its estimated future cash flows at a rate commensurate with the risks associated with the underlying community. The discount rate used depends on (1) community specific factors such as product types, development stage and expected duration of the project, and competitive factors influencing the sales performance of the community, (2) local market factors such as employment levels, consumer confidence and existing supply of new and used homes for sale, and (3) other specific factors. The estimated future cash flows for each community were determined based on the expected pace of closings and average sales price less expected costs for land acquisition and land development, direct construction, overhead and interest. The assumptions used in the determination of fair value of projects in progress communities are based on factors known to us at the time such estimates are made and our expectations of future operations and market conditions. Due to uncertainties in the estimation process, the significant volatility in market conditions, the long life cycles of many communities, and potential changes in our strategy related to certain communities, actual results could differ significantly from our estimates.

During the three and six months ended March 31, 2026, we performed a discounted cash flow analysis to determine the fair value of one project in progress community located in our Houston market. This analysis led to a $1.3 million projects in progress impairment charge, principally due to a reduction in price driven by the competitive market dynamics. No projects in progress impairments were recognized during the three and six months ended March 31, 2025.

The following table presents by reportable segment and Corporate and unallocated details of the impairment charges taken on projects in progress for the period presented:

$ in thousands

	Results of Impairment Analysis			
	# of Communities Impaired	# of Lots Impaired	Impairment Charge	Estimated Fair Value of Impaired Inventory at Time of Impairment[b]
Three Months Ended March 31, 2026				
West	1	37	$ 1,174	$ 5,072
Corporate and unallocated[a]	—	—	$ 121	$ 525
Total	1	37	$ 1,295	$ 5,597

[a] Amount represents the capitalized interest and indirects balances that were impaired. Capitalized interest and indirects are maintained within Corporate and unallocated.

[b] Projects in progress assets are measured at fair value on a non-recurring basis when events and circumstances indicate that their carrying value is not recoverable. The fair value of projects in progress is determined using Level 3 unobservable inputs. Refer to Note 9 for further discussion of our fair value measurements and hierarchy levels.

The following table presents the ranges or values of significant quantitative unobservable inputs we used in determining the fair value of the communities impaired during the period presented:

$ in thousands

Unobservable Inputs	Three Months Ended March 31, 2026
Average selling price	$375
Closings per community per month	1 - 3
Discount rate	14.0 %

Land Held for Sale Impairments

We evaluate the fair value less cost to sell of a land held for sale asset when indicators of impairment are present. Impairments on land held for sale generally represent write downs of these properties from their carrying values to estimated fair value less cost to sell based on executed sales contracts, current sales prices for comparable assets in the area, recent market analysis studies, appraisals, recent legitimate offers and listing prices of similar properties, as applicable. Absent an executed sales contract, our assumptions related to land sales prices are based on factors known to us at the time such estimates are made and require significant judgment because the real estate market is highly sensitive to changes in economic conditions, and our estimates of sale prices could differ significantly from actual results.

No land held for sale impairments were recognized for the three months ended March 31, 2026. During the six months ended March 31, 2026, we recognized $1.0 million land held for sale impairment charges related to two communities in our West and East segments. Estimated fair value less selling cost for these impaired assets at the time of impairment was $14.0 million. The fair values of the impaired land held for sale assets were determined using Level 3 unobservable inputs. No land held for sale impairments were recognized during the three and six months ended March 31, 2025.

Abandonments

From time to time, we may determine to abandon lots or not exercise certain option agreements that are not projected to produce adequate results or no longer fit with our long-term strategic plan. Additionally, in certain limited instances, we are forced to abandon lots due to seller non-performance, permitting or other regulatory issues that do not allow us to build on those lots. If we intend to no longer pursue the purchase of property, we record an abandonment charge to earnings for the non-refundable deposit amount and any related capitalized costs in the period such decision is made.

No abandonment charges were recognized during the three months ended March 31, 2026. During the six months ended March 31, 2026, we recognized $1.3 million of abandonment charges. During the three and six months ended March 31, 2025, we recognized $0.5 million of abandonment charges. As we grow our business in the years ahead, the dollar value of abandonment charges may also grow.

Lot Option Agreements

In addition to purchasing land directly, we utilize lot option agreements that enable us to defer acquiring portions of properties owned by third parties and unconsolidated entities until we have determined whether to exercise our lot option. The majority of our lot option agreements require a non-refundable cash deposit or issuance of an irrevocable letter of credit or surety bond based on a percentage of the purchase price of the land for the right to acquire lots during a specified period at a specified price. Purchase of the properties under these agreements is contingent upon satisfaction of certain requirements by us and the sellers. Under lot option agreements, our liability is generally limited to forfeiture of the non-refundable deposits, letters of credit or surety bonds, and other non-refundable amounts incurred. If the Company cancels a lot option agreement, the cancellation would result in a write-off of the related deposits and pre-acquisition costs but would not expose the Company to the overall risks or losses of the applicable entity we are purchasing from. We expect to exercise, subject to market conditions and seller satisfaction of contract terms, most of our remaining option agreements. Various factors, some of which are beyond our control, such as market conditions, weather conditions, and the timing of the completion of development activities, will have a significant impact on the timing of option exercises or whether lot options will be exercised at all.

The following table provides a summary of our interests in lot option agreements as of March 31, 2026 and September 30, 2025:

in thousands	**As of March 31, 2026**	As of September 30, 2025
Deposits and non-refundable pre-acquisition costs incurred[a]	**$ 373,439**	$ 333,435
Remaining purchase price if lot option agreements are exercised	**$ 1,639,210**	$ 1,610,171

[a] Amount is included as a component of land under development and land not owned under option agreements within our inventory in the condensed consolidated balance sheets.

(5) Interest

Interest capitalized during the three and six months ended March 31, 2026 and 2025 was based upon the balance of inventory eligible for capitalization. The following table presents certain information regarding interest for the periods presented:

in thousands	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	**2026**	2025
Capitalized interest in inventory, beginning of period	**$ 139,678**	$ 130,433	**$ 131,845**	$ 124,182
Interest incurred	**22,000**	21,617	**41,756**	41,778
Capitalized interest impaired	**(35)**	—	**(101)**	—
Capitalized interest amortized to home construction and land sales expenses[a]	**(13,857)**	(17,758)	**(25,714)**	(31,668)
Capitalized interest in inventory, end of period	**$ 147,786**	$ 134,292	**$ 147,786**	$ 134,292

[a] Capitalized interest amortized to home construction and land sales expenses varies based on the number of homes closed during the period and land sales, if any, as well as other factors.

(6) Borrowings

The Company's debt, net of unamortized debt issuance costs consisted of the following as of March 31, 2026 and September 30, 2025:

in thousands	Maturity Date	March 31, 2026	September 30, 2025
5.875% Senior Notes (2027 Notes)	October 2027	**$ 357,255**	$ 357,255
7.250% Senior Notes (2029 Notes)	October 2029	**350,000**	350,000
7.500% Senior Notes (2031 Notes)	March 2031	**250,000**	250,000
Unamortized debt issuance costs		**(5,762)**	(6,611)
Total Senior Notes, net		**951,493**	950,644
Junior Subordinated Notes (net of unamortized accretion of $21,270 and $22,303, respectively)	July 2036	**79,503**	78,470
Senior Unsecured Revolving Credit Facility	March 2030	**195,000**	—
Total debt, net		**$ 1,225,996**	$ 1,029,114

Senior Unsecured Revolving Credit Facility

The Senior Unsecured Revolving Credit Facility (Unsecured Facility) provides working capital and letter of credit capacity. In March 2026, the Company executed an amendment to increase its available borrowing capacity under the Unsecured Facility from $365.0 million to $525.0 million. The $525.0 million borrowing capacity includes a letter of credit facility of up to $100.0 million. The Company will have the right from time to time to request to increase the size of the commitments under the Unsecured Facility by up to $100.0 million for a maximum of $625.0 million. The Company also extended the termination date (Termination Date) from March 15, 2028 to March 13, 2030. The Company may borrow, repay, and reborrow amounts under the Unsecured Facility until the Termination Date.

Borrowings under the Unsecured Facility bear interest, at our option, at either (i) a secured overnight financing rate (SOFR) plus an applicable margin ranging from 2.15% to 2.90% per annum or (ii) an alternate base rate (ABR) plus an applicable margin ranging from 1.15% to 1.90% per annum. Commitment fees on the unused portion of the facility range from 0.25% to 0.40% per annum. The applicable margin and the commitment fees vary based on the Company's leverage ratio, as defined under the Unsecured Facility.

Substantially all of the Company's significant subsidiaries are full and unconditional guarantors of the Unsecured Facility and are jointly and severally liable for obligations under the Unsecured Facility. For additional discussion of the Unsecured Facility, refer to Note 7 to the consolidated financial statements within our 2025 Annual Report.

As of March 31, 2026, we had $195.0 million in borrowings and $45.3 million in letters of credit outstanding under the Unsecured Facility, resulting in a remaining capacity of $284.7 million. The weighted-average interest rate on outstanding borrowings as of March 31, 2026 was 8.01%. The Unsecured Facility requires compliance with certain covenants, including affirmative covenants, negative covenants and financial covenants. As of March 31, 2026, the Company believes it was in compliance with all such covenants.

Senior Notes

The Company's senior notes (Senior Notes) are unsecured obligations that rank equally in right of payment with all existing and future senior unsecured obligations, senior to all of the Company's existing and future subordinated indebtedness, and effectively subordinated to the Company's future secured indebtedness, to the extent of the value of the assets securing such indebtedness. Substantially all of the Company's significant subsidiaries are full and unconditional guarantors of the Senior Notes and are jointly and severally liable for obligations under the Senior Notes. Each guarantor subsidiary is a wholly owned subsidiary of Beazer Homes. The Senior Notes and related guarantees are structurally subordinated to all indebtedness and other liabilities of all of the Company's subsidiaries that do not guarantee these notes.

The Company's Senior Notes are issued under indentures that contain certain restrictive covenants which, among other things, restrict our ability to pay dividends, repurchase our common stock, incur certain types of additional indebtedness, and make certain investments. Compliance with the Senior Note covenants does not significantly impact the Company's operations. The Company believes it was in compliance with the covenants contained in the indentures of all of its Senior Notes as of March 31, 2026.

No debt repurchases were made during the three and six months ended March 31, 2026 and 2025.

For additional redemption features, refer to the table below that summarizes the redemption terms of our Senior Notes:

Senior Note Description	Issuance Date	Maturity Date	Redemption Terms
5.875% Senior Notes	October 2017	October 2027	Callable at any time prior to October 15, 2022, in whole or in part, at a redemption price equal to 100.000% of the principal amount, plus a customary make-whole premium; on or after October 15, 2022, callable at a redemption price equal to 102.938% of the principal amount; on or after October 15, 2023, callable at a redemption price equal to 101.958% of the principal amount; on or after October 15, 2024, callable at a redemption price equal to 100.979% of the principal amount; on or after October 15, 2025, callable at a redemption price equal to 100.000% of the principal amount, plus, in each case, accrued and unpaid interest.
7.250% Senior Notes	September 2019	October 2029	Callable at any time prior to October 15, 2024, in whole or in part, at a redemption price equal to 100.000% of the principal amount, plus a customary make-whole premium; on or after October 15, 2024, callable at a redemption price equal to 103.625% of the principal amount; on or after October 15, 2025, callable at a redemption price equal to 102.417% of the principal amount; on or after October 15, 2026, callable at a redemption price equal to 101.208% of the principal amount; on or after October 15, 2027, callable at a redemption price equal to 100.000% of the principal amount, plus, in each case, accrued and unpaid interest.
7.500% Senior Notes	March 2024	March 2031	On or prior to March 15, 2027, we may redeem up to 35% of the aggregate principal amount of the 2031 Notes with the net cash proceeds of certain equity offerings at a redemption price equal to 107.500% of the principal amount, plus accrued and unpaid interest to, but excluding, the redemption date, provided at least 65% of the aggregate principal amount of the 2031 Notes originally issued remains outstanding immediately after such redemption. Callable at any time prior to March 15, 2027, in whole or in part, at a redemption price equal to 100.000% of the principal amount, plus a customary make-whole premium; on or after March 15, 2027, callable at a redemption price equal to 103.750% of the principal amount; on or after March 15, 2028, callable at a redemption price equal to 101.875% of the principal amount; on or after March 15, 2029, callable at a redemption price equal to 100.000% of the principal amount, plus, in each case, accrued and unpaid interest.

Junior Subordinated Notes

The Company's unsecured junior subordinated notes (Junior Subordinated Notes) mature on July 30, 2036 and have an aggregate principal balance of $100.8 million as of March 31, 2026. The securities have a floating interest rate as defined in the Junior Subordinated Notes Indentures, which was a weighted-average of 6.38% as of March 31, 2026. The obligations relating to these notes are subordinated to the Unsecured Facility and the Senior Notes. In January 2010, the Company restructured $75.0 million of these notes (Restructured Notes) and recorded them at their then estimated fair value. Over the remaining life of the Restructured Notes, we will increase their carrying value until this carrying value equals the face value of the notes. As of March 31, 2026, the unamortized accretion was $21.3 million and will be amortized over the remaining life of the Restructured Notes. The remaining $25.8 million of the Junior Subordinated Notes are subject to the terms of the original agreement, have a floating interest rate equal to a three-month SOFR plus 2.71% per annum, resetting quarterly, and are redeemable in whole or in part at par value. The material terms of the $75.0 million Restructured Notes are identical to the terms of the original agreement except that the floating interest rate is subject to a floor of 4.25% and a cap of 9.25%. In addition, beginning on June 1, 2012, the Company has the option to redeem the $75.0 million principal balance in whole or in part at 75% of par value, and beginning on June 1, 2022, the redemption price has increased by 1.785% annually. As of March 31, 2026, the Company believes it was in compliance with all covenants under the Junior Subordinated Notes.

(7) Operating Leases

The Company leases certain office space and equipment under operating leases for use in our operations. We recognize operating lease expense on a straight-line basis over the lease term. Some of our lease agreements include one or more options to renew. The exercise of lease renewal options is generally at our discretion. Variable lease expense primarily relates to maintenance and other monthly expenses that do not depend on an index or rate.

We determine if an arrangement is a lease at contract inception. Lease and non-lease components are accounted for as a single component for all leases. Operating lease right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term, which includes optional renewal periods if we determine it is reasonably certain that the option will be exercised. As our leases do not provide an implicit rate, the discount rate used in the present value calculation represents our incremental borrowing rate determined using information available at the commencement date.

Operating lease expense is included as a component of general and administrative expenses in our condensed consolidated statements of operations. Sublease income and variable lease expenses are de minimis. The following table presents operating lease expense and cash payments on lease liabilities for the periods presented:

	Three Months Ended March 31,		Six Months Ended March 31,	
in thousands	**2026**	2025	**2026**	2025
Operating lease expense	**$ 3,411**	$ 1,146	**$ 6,844**	$ 2,309
Cash payments on lease liabilities	**$ 2,189**	$ 1,168	**$ 4,089**	$ 2,281

At March 31, 2026 and 2025, the weighted-average remaining lease term and discount rate were as follows:

	As of March 31,	
	2026	2025
Weighted-average remaining lease term	**4.8 years**	6.4 years
Weighted-average discount rate	**4.93%**	6.34%

The following is a maturity analysis of the annual undiscounted cash flows reconciled to the carrying value of the operating lease liabilities as of March 31, 2026:

Fiscal Years Ending September 30,		
in thousands		
2026[a]	$	**4,646**
2027		**7,155**
2028		**4,965**
2029		**4,137**
2030		**3,307**
Thereafter		**5,758**
Total lease payments[b]		**29,968**
Less: imputed interest		**4,575**
Total operating lease liabilities	$	**25,393**

[a] Remaining lease payments are for the period beginning April 1, 2026 through September 30, 2026.

[b] Lease payments exclude $1.7 million of legally binding minimum lease payments for office leases signed but not yet commenced. The related right-of-use asset and operating lease liability are not reflected on the Company's condensed consolidated balance sheet as of March 31, 2026.

(8) Contingencies

Beazer Homes and certain of its subsidiaries have been and continue to be named as defendants in various construction defect claims, complaints, and other legal actions. The Company is subject to the possibility of loss contingencies related to these alleged defects as well as others arising from its business. In determining loss contingencies, we consider the likelihood of loss and our ability to reasonably estimate the amount of such loss. An estimated loss is recorded in other liabilities on the condensed consolidated balance sheets when it is considered probable that a liability has been incurred and the amount of loss can be reasonably estimated.

Warranty Reserves

We currently provide a limited warranty ranging from one to two years covering workmanship and materials per our defined quality standards. In addition, we provide a limited warranty for up to ten years covering certain defined structural element failures.

Warranty reserves are included in other liabilities within the consolidated balance sheets, and the provision for warranty accruals is included in home construction expenses in the consolidated statements of operations. Reserves covering anticipated warranty expenses are recorded for each home closed, which are a function of the number of home closings in the period, the selling prices of the homes closed and the rates of accrual per home estimated as a percentage of the selling price of the home. Management assesses the adequacy of warranty reserves each reporting period based on historical experience and the expected costs to remediate potential claims. Our review includes a quarterly analysis of the historical data and trends in warranty expense by division. An analysis by division allows us to consider market specific factors such as warranty experience, the number of home closings, the selling prices of homes, product mix, and other data in estimating warranty reserves. In addition, the analysis also contemplates the existence of any non-recurring or community-specific warranty-related matters that might not be included in historical data and trends that may need to be separately estimated based on management's judgment of the ultimate cost of repair for that specific issue. While estimated warranty liabilities are adjusted each reporting period based on the results of our quarterly analyses, we may not accurately predict actual warranty costs, which could lead to significant changes in the reserve.

Changes in warranty reserves are as follows for the periods presented:

in thousands	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Six Months Ended March 31, 2026	Six Months Ended March 31, 2025
Balance at beginning of period	**$ 11,900**	$ 12,005	**$ 13,564**	$ 12,717
Warranty provision	**1,702**	1,552	**3,500**	3,245
Warranty expenditures	**(2,400)**	(2,003)	**(5,862)**	(4,408)
Balance at end of period	**$ 11,202**	$ 11,554	**$ 11,202**	$ 11,554

Our homebuilding work is performed by subcontractors who typically must agree to indemnify us with regard to their work and provide certificates of insurance demonstrating that they have met our insurance requirements and have named us as an additional insured under their policies. Therefore, many claims relating to workmanship and materials that result in warranty spending are the primary responsibility of these subcontractors. In addition, we maintain third-party insurance policies that provide for the reimbursement of certain warranty costs incurred in the normal course of business, subject to applicable self-insured retentions. Amounts recorded for anticipated insurance and other third-party recoveries are reflected within the consolidated statements of operations as a reduction to home construction expense, if applicable. Anticipated recoveries not yet received from our insurer or other third-parties are recorded within accounts receivable on our consolidated balance sheets, if applicable.

We believe that our warranty and litigation accruals and third-party insurance are adequate to cover the ultimate resolution of our potential liabilities associated with known and anticipated warranty and construction-defect related claims and litigation. However, there can be no assurance that the terms and limitations of the limited warranty will be effective against claims made by homebuyers; that we will be able to renew our insurance coverage or renew it at reasonable rates; that we will not be liable for damages, the cost of repairs, and/or the expense of litigation surrounding possible construction defects, soil subsidence, or building related claims; or that claims will not arise out of events or circumstances not covered by insurance and/or not subject to effective indemnification agreements with our subcontractors.

Litigation

In the normal course of business, we and certain of our subsidiaries are subject to various lawsuits and have been named as defendants in various claims, complaints, and other legal actions, most relating to construction defects, moisture intrusion, and product liability. Certain of the liabilities resulting from these actions are covered in whole or in part by insurance. We cannot predict or determine the timing or final outcome of these lawsuits or the effect that any adverse findings or determinations in pending lawsuits may have on us. In addition, an estimate of possible loss or range of loss, if any, cannot presently be made with respect to certain of these pending matters. An unfavorable determination in pending lawsuits could result in the payment by us of substantial monetary damages that may not be fully covered by insurance. Further, the legal costs associated with the lawsuits and the amount of time required to be spent by management and our Board of Directors on these matters, even if we are ultimately successful, could have a material adverse effect on our financial condition, results of operations, or cash flows.

We have an accrual of $27.6 million and $9.9 million in other liabilities on our condensed consolidated balance sheets related to litigation matters as of March 31, 2026 and September 30, 2025, respectively. A portion of our total litigation accrual as of March 31, 2026 relates to a confidential settlement agreement with a homeowners' association that was finalized and entered into in the second fiscal quarter of 2026. The Company is pursuing recovery from implicated subcontractors and other parties for defense costs and settlement amounts paid by the Company.

Surety Bonds and Letters of Credit

We had outstanding letters of credit, surety bonds, and surety-backed letters of credit of $45.3 million, $364.3 million, and $4.6 million, respectively, as of March 31, 2026, related principally to our obligations to local governments to construct roads and other improvements in various developments.

(9) Fair Value Measurements

As of the dates presented, we had assets on our condensed consolidated balance sheets that were required to be measured at fair value on a recurring or non-recurring basis. We use a fair value hierarchy that requires us to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities;

- Level 2 – Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly through corroboration with market data; and
- Level 3 – Unobservable inputs that reflect our own estimates about the assumptions market participants would use in pricing the asset or liability.

Certain of our assets are required to be recorded at fair value on a non-recurring basis when events and circumstances indicate that the carrying value of these assets may not be recoverable. We review our long-lived assets, including inventory, for recoverability when factors indicate an impairment may exist, but no less than quarterly. The fair value of assets deemed to be impaired is determined based upon the type of asset being evaluated. The fair value of our inventory assets, when required to be calculated, is further discussed within Note 4. Due to the substantial use of unobservable inputs in valuing the assets on a non-recurring basis, they are classified within Level 3.

Determining within which hierarchical level an asset or liability falls requires significant judgment. We evaluate our hierarchy disclosures each quarter. The following table presents the period-end balances of assets measured at fair value on a recurring basis for each hierarchy level:

in thousands	Level 1	Level 2	Level 3	Total
As of March 31, 2026				
Deferred compensation plan assets[a]	**$ 6,135**	**$ —**	**$ —**	**$ 6,135**
As of September 30, 2025				
Deferred compensation plan assets[a]	$ 8,661	$ —	$ —	$ 8,661

[a] Amount is included in other assets within the condensed consolidated balance sheets.

The fair value of cash and cash equivalents, restricted cash, accounts receivable, trade accounts payable, other liabilities, and amounts due under the Unsecured Facility (if outstanding) approximate their carrying amounts due to the short maturity of these assets and liabilities. When outstanding, obligations related to land not owned under option agreements approximate fair value.

The following table presents the carrying value and estimated fair value of certain other financial liabilities as of March 31, 2026 and September 30, 2025:

	As of March 31, 2026		As of September 30, 2025	
in thousands	**Carrying Amount**	**Fair Value**	Carrying Amount	Fair Value
Financial liabilities[a]				
Senior Notes[b]	**$ 951,493**	**$ 951,919**	$ 950,644	$ 968,634
Junior Subordinated Notes[c]	**79,503**	**79,503**	78,470	78,470
Total financial liabilities	**$ 1,030,996**	**$ 1,031,422**	$ 1,029,114	$ 1,047,104

[a] Carrying amounts for financial liabilities are net of unamortized debt issuance costs or accretion.

[b] The estimated fair value of our publicly-held Senior Notes has been determined using quoted market rates (Level 2).

[c] Since there is no trading market for our Junior Subordinated Notes, the fair value of these notes is estimated by discounting scheduled cash flows through maturity (Level 3). The discount rate is estimated using market rates currently being offered on loans with similar terms and credit quality. Judgment is required in interpreting market data to develop these estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that we could realize in a current market exchange.

(10) Income Taxes

Income Tax Provision

Our income tax expense or benefit is not always directly correlated to the amount of pre-tax income or loss for the associated period due to a variety of factors, including, but not limited to, the impact of tax credits and permanent differences. Historically, the Company's income tax provision for quarterly interim periods was based on an estimated annual effective income tax rate, adjusted for the effect of discrete items arising in that quarter. For the three and six months ended March 31, 2026, the Company utilized the discrete effective tax rate method, as allowed by *ASC Subtopic 740- 270, Income Taxes—Interim Reporting*, to calculate its interim income tax provision. The discrete method is applied when the use of the estimated annual effective tax rate is impractical because it is not possible to reliably estimate the annual effective tax rate. The discrete method treats the year-to-date period as if it were the annual period and determines the income tax expense or benefit on that basis. The Company believes that use of the discrete method is more appropriate than the estimated annual effective tax rate method because the significant impact of expected energy efficiency tax credits for the current fiscal year prevents the Company from reliably estimating its annual effective tax rate.

We recognized income tax benefit of $17.6 million and $16.1 million for the three and six months ended March 31, 2026, compared to income tax expense of $1.4 million and $1.4 million for the three and six months ended March 31, 2025. Income tax benefit for the six months ended March 31, 2026 was primarily driven by income tax benefit on loss from operations, energy efficiency tax credits generated from closings during the current fiscal year, and a discrete tax benefit from tax credits related to prior year activities, partially offset by permanent differences, and stock-based compensation activity in the period. Income tax expense for the six months ended March 31, 2025 was primarily driven by income tax expense on earnings from operations and permanent differences, partially offset by energy efficiency tax credits generated from expected closings during the current fiscal year, and stock-based compensation activity in the period.

Deferred Tax Assets and Liabilities

The Company continues to evaluate its deferred tax assets each period to determine if a valuation allowance is required based on whether it is more likely than not that some portion of these deferred tax assets will not be realized. As of March 31, 2026, management concluded that it is more likely than not that all of our federal and certain state deferred tax assets will be realized. As part of our analysis, we considered both positive and negative factors that impact profitability and whether those factors would lead to a change in the estimate of our deferred tax assets that may be realized in the future. At this time, our conclusions on the valuation allowance and Internal Revenue Code Section 382 and Section 383 limitations related to our deferred tax assets remain consistent with the determinations we made during the period ended September 30, 2025, and such conclusions are based on similar company specific and industry factors to those discussed in Note 12 to the consolidated financial statements within our 2025 Annual Report.

(11) Stock-Based Compensation

Stock-based compensation expense is included in general and administrative expenses in our condensed consolidated statements of operations. The following table presents a summary of stock-based compensation expense related to stock options and restricted stock awards for the periods presented:

	Three Months Ended March 31,		Six Months Ended March 31,	
in thousands	**2026**	2025	**2026**	2025
Stock-based compensation expense	**$ 1,876**	$ 1,712	**$ 3,430**	$ 3,625

Stock Options

Following is a summary of stock option activity for the six months ended March 31, 2026:

	Six Months Ended March 31, 2026	
	Shares	Weighted Average Exercise Price
Outstanding at beginning of period	1,642	$ 23.14
Granted	20,769	22.92
Outstanding at end of period	22,411	22.93
Exercisable at end of period	100	$ 27.98

As of March 31, 2026 and September 30, 2025, total unrecognized compensation cost related to unvested stock options was $0.2 million and less than $0.1 million, respectively. The remaining cost as of March 31, 2026 is expected to be recognized over a weighted average period of 2.6 years.

Restricted Stock Awards

During the six months ended March 31, 2026, the Company issued time-based and performance-based restricted stock awards. The time-based restricted shares granted to our non-employee directors vest on the first anniversary of the grant, while the time-based restricted shares granted to our executive officers and other employees generally vest ratably over three years from the date of grant. Performance-based restricted share awards vest subject to the achievement of performance and market conditions over a three-year performance period.

Following is a summary of restricted stock activity for the six months ended March 31, 2026:

	Six Months Ended March 31, 2026		
	Performance-Based Restricted Shares	Time-Based Restricted Shares	Total Restricted Shares
Beginning of period	307,097	402,025	709,122
Granted	174,243	388,707	562,950
Vested	(140,035)	(219,548)	(359,583)
Forfeited[a]	(4,624)	(2,491)	(7,115)
End of period	336,681	568,693	905,374

[a] Each of our performance shares represent a contingent right to receive one share of the Company's common stock if vesting is satisfied at the end of the three-year performance period. Our performance stock award plans provide that any performance shares earned in excess of the target number of performance shares issued may be settled in cash or additional shares at the discretion of the Human Capital Committee. We have no current plans to settle any additional performance-based restricted shares in the future in cash. During November 2025, 3,599 of the 143,634 performance-based shares issued under the fiscal 2023 performance-based award plan were forfeited by the holders of the awards based on the performance level achieved under the terms of the plan.

As of March 31, 2026 and September 30, 2025, total unrecognized compensation costs related to unvested restricted stock awards were $14.5 million and $9.1 million, respectively. The costs remaining as of March 31, 2026 are expected to be recognized over a weighted average period of 2.1 years.

(12) Earnings Per Share

Basic (loss) income per share is calculated by dividing net (loss) income by the weighted-average number of shares outstanding during the period. Diluted (loss) income per share adjusts the basic (loss) income per share for the effects of any potentially dilutive securities in periods in which the Company has net income and such effects are dilutive under the treasury stock method.

Following is a summary of the components of basic and diluted (loss) income per share for the periods presented:

in thousands (except per share data)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Six Months Ended March 31, 2026	Six Months Ended March 31, 2025
Numerator:				
Net (loss) income	**$ (904)**	$ 12,778	**$ (33,501)**	$ 15,908
Denominator:				
Basic weighted-average shares	**27,990**	30,119	**28,464**	30,274
Dilutive effect of restricted stock awards	**—**	146	**—**	201
Dilutive effect of stock options	**—**	—	**—**	4
Diluted weighted-average shares[(a)]	**27,990**	$ 30,265	**28,464**	30,479
(Loss) income per share:				
Basic	**$ (0.03)**	$ 0.42	**$ (1.18)**	$ 0.53
Diluted	**$ (0.03)**	$ 0.42	**$ (1.18)**	$ 0.52

[(a)] The following potentially dilutive shares were excluded from the calculation of diluted (loss) income per share as a result of their anti-dilutive effect. Due to the reported net loss for the three and six months ended March 31, 2026, all common stock equivalents were excluded from the computation of diluted loss per share for that respective period because inclusion would have resulted in anti-dilution.

in thousands	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Six Months Ended March 31, 2026	Six Months Ended March 31, 2025
Stock options	**22**	1	**22**	1
Time-based restricted stock	**569**	179	**569**	102
Performance-based restricted stock	**337**	48	**337**	—

(13) Other Liabilities

Other liabilities include the following as of March 31, 2026 and September 30, 2025:

in thousands	As of March 31, 2026	As of September 30, 2025
Accrued compensation and benefits	**$ 20,443**	$ 43,793
Customer deposits	**21,077**	14,260
Accrued interest	**23,327**	23,211
Warranty reserves	**11,202**	13,564
Litigation accruals	**27,607**	9,930
Income tax liabilities	**—**	32
Obligations related to land not owned under option agreements	**21,691**	—
Other	**52,981**	55,655
Total	**$ 178,328**	$ 160,445

(14) Segment Information

Per ASC Topic 280, *Segment Reporting* (ASC 280), an operating segment is defined as a component of an enterprise that engages in business activities from which it earns revenues and incur expenses and has discrete financial information available that is reviewed regularly by the Company's chief operating decision maker (CODM) to evaluate performance, make operating decisions, and determine how to allocate resources. We have identified each homebuilding component as an operating segment because each homebuilding component is engaged in development, design, construction, marketing, and sale of homes as well as land and lot sales, and provides title examinations for our homebuyers in certain markets. In accordance with the aggregation criteria defined in ASC 280, we aggregate our homebuilding operating segments into reportable segments based on similar long-term economic characteristics and geographical proximity.

We currently operate in 13 states that are grouped into three reportable segments as follows:

West: Arizona, California, Nevada, and Texas

East: Delaware, Indiana, Maryland, Tennessee, and Virginia

Southeast: Florida, Georgia, North Carolina, and South Carolina

Our Corporate and unallocated component includes amortization of capitalized interest, capitalization and amortization of indirect costs, impairment of capitalized interest and capitalized indirect costs, expenses for various shared services functions that benefit all segments but are not allocated, including information technology, treasury, corporate finance, legal, branding and national marketing, and certain other amounts that are not allocated to our operating segments.

The Company's CODM is the Chief Executive Officer. The CODM is regularly provided with the operating results of individual operating segments which comprise our reportable segments. Segment performance is evaluated, and resources are allocated primarily based on segment operating income (loss), which also plays a central role in the Company's forecasting process. In addition, the CODM considers forecast-to-actual variances when determining the allocation of operating and capital resources across segments. The accounting policies of our segments are those described in Note 2 to the consolidated financial statements within our 2025 Annual Report.

The following tables provide financial information about our reportable segments and Corporate and unallocated component for the periods presented:

	Three Months Ended March 31, 2026					
in thousands	West	East	Southeast	Reportable Segment Subtotal	Corporate and unallocated	Total
Revenue	$ 236,856	$ 97,125	$ 75,865	$ 409,846	$ —	$ 409,846
Home construction and land sale expenses	201,711	83,053	62,825	347,589	12,262	359,851
Inventory impairments and abandonments	1,174	—	—	1,174	121	1,295
Commissions	8,324	2,522	2,544	13,390	—	13,390
Sales and marketing	8,845	3,235	2,579	14,659	3,934	18,593
Other general and administrative expenses	9,049	3,660	2,847	15,556	16,045	31,601
Depreciation and amortization	1,678	328	531	2,537	1,547	4,084
Operating income (loss)	$ 6,075	$ 4,327	$ 4,539	$ 14,941	$ (33,909)	$ (18,968)
Other income, net						433
Loss before income taxes						$ (18,535)

	Six Months Ended March 31, 2026					
in thousands	West	East	Southeast	Reportable Segment Subtotal	Corporate and unallocated	Total
Revenue	$ 460,360	$ 190,584	$ 122,393	$ 773,337	$ —	$ 773,337
Home construction and land sale expenses	393,889	162,572	102,530	658,991	24,777	683,768
Inventory impairments and abandonments	2,523	899	—	3,422	243	3,665
Commissions	16,047	5,119	4,240	25,406	—	25,406
Sales and marketing	17,559	6,372	4,731	28,662	9,208	37,870
Other general and administrative expenses	16,610	6,959	5,414	28,983	36,330	65,313
Depreciation and amortization	3,476	803	927	5,206	2,920	8,126
Operating income (loss)	$ 10,256	$ 7,860	$ 4,551	$ 22,667	$ (73,478)	$ (50,811)
Other income, net						1,211
Loss before income taxes						$ (49,600)

in thousands	Three Months Ended March 31, 2025 West	East	Southeast	Reportable Segment Subtotal	Corporate and unallocated	Total
Revenue	$ 373,856	$ 120,856	$ 70,627	$ 565,339	$ —	$ 565,339
Home construction and land sale expenses	301,889	102,885	59,037	463,811	15,002	478,813
Inventory impairments and abandonments	528	—	—	528	—	528
Commissions	12,545	3,773	2,465	18,783	—	18,783
Sales and marketing	7,894	2,719	1,917	12,530	3,597	16,127
Other general and administrative expenses	9,007	3,374	3,074	15,455	17,617	33,072
Depreciation and amortization	2,518	548	397	3,463	1,184	4,647
Operating income (loss)	$ 39,475	$ 7,557	$ 3,737	$ 50,769	$ (37,400)	$ 13,369
Other income, net						799
Income before income taxes						$ 14,168

in thousands	Six Months Ended March 31, 2025 West	East	Southeast	Reportable Segment Subtotal	Corporate and unallocated	Total
Revenue	$ 672,772	$ 230,738	$ 130,782	$ 1,034,292	$ —	$ 1,034,292
Home construction and land sale expenses	545,798	196,100	109,429	851,327	24,361	875,688
Inventory impairments and abandonments	528	—	—	528	—	528
Commissions	23,107	7,193	4,596	34,896	—	34,896
Sales and marketing	15,140	5,402	3,916	24,458	6,582	31,040
Other general and administrative expenses	16,601	6,810	5,788	29,199	38,732	67,931
Depreciation and amortization	4,709	1,004	695	6,408	2,294	8,702
Operating income (loss)	$ 66,889	$ 14,229	$ 6,358	$ 87,476	$ (71,969)	$ 15,507
Other income, net						1,827
Income before income taxes						$ 17,334

The following table presents assets by segment as of March 31, 2026 and September 30, 2025:

in thousands	**March 31, 2026**	September 30, 2025
Assets		
West	**$ 1,145,883**	$ 1,060,650
East	**482,256**	451,299
Southeast	**527,339**	461,110
Corporate and unallocated[a]	**602,002**	636,649
Total assets	**$ 2,757,480**	$ 2,609,708

[a] Total assets at Corporate and unallocated include cash and cash equivalents, restricted cash, deferred taxes, capitalized interest and indirect costs, and other items that are not allocated to the segments.

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (Form 10-Q), as well as some statements by us in periodic press releases and other public disclosures and some oral statements by us to analysts, stockholders and others during presentations, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent our expectations or beliefs concerning future events or results, and it is possible that such events or results described in this Form 10-Q will not occur or be achieved. These forward-looking statements can generally be identified by the use of statements that include words such as "outlook," "may," "will," "strategy," "believe," "expect," "anticipate," "inspires," "intend," "plan," "foresee," "likely," "goal," "target," "estimate," "should," "project," "initial" or other similar words or phrases.

These forward-looking statements involve risks, uncertainties and other factors, many of which are outside of our control, that could cause actual events or results to differ materially from the results discussed in the forward-looking statements, including, among other things, the matters discussed in this Form 10-Q 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 is contained in Part I, Item 1A— Risk Factors of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025. 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 may include:

- macroeconomic uncertainty, including high levels of inflation, elevated interest rates and insurance costs, stock market volatility, enhanced and/or altered government regulation resulting from legislation and/or executive orders, and historic changes in U.S. trade policy, negatively impacting consumer sentiment and softening demand for the homes we sell;
- elevated mortgage interest rates for prolonged periods, as well as further increases to, and reduced availability of, mortgage financing;
- supply chain challenges (including as a result of U.S. trade policies and retaliatory responses from other countries) negatively impacting our homebuilding production, including shortages of raw materials and other critical components such as windows, doors, and appliances;
- our ability to meet or achieve our sustainability related goals, aspirations, initiatives, and our public statements and disclosures regarding them;
- geopolitical disruptions, acts of war, terrorist attacks and other geopolitical developments outside the Company’s control, including the ongoing military conflicts between Russia and Ukraine and in the Middle East, which have heightened, and may continue to heighten, existing economic uncertainty and contribute to increases in mortgage rates, higher energy prices, and other adverse macroeconomic pressures;
- inaccurate estimates related to homes to be delivered in the future (backlog), as they are subject to various cancellation risks that cannot be fully controlled;
- factors affecting margins, such as adjustments to home pricing, increased sales incentives and mortgage rate buy down programs in order to remain competitive;
- decreased revenues;
- decreased land values underlying land option agreements;
- increased land development costs in communities under development or delays or difficulties in implementing initiatives to reduce our cycle times and production and overhead cost structures;
- not being able to pass on cost increases (including cost increases due to increasing the energy efficiency of our homes) through pricing increases;
- the availability and cost of land and the risks associated with the future value of our inventory, including impairments and abandonment charges;
- our ability to raise debt and/or equity capital, due to factors such as limitations in the capital markets (including market volatility), adverse credit market conditions and financial institution disruptions, and our ability to otherwise meet our ongoing liquidity needs (which could cause us to fail to meet the terms of our covenants and other requirements under

our various debt instruments and therefore trigger an acceleration of a significant portion or all of our outstanding debt obligations), including the impact of any downgrades of our credit ratings or reduction in our liquidity levels;

- market perceptions regarding any capital raising initiatives we may undertake (including future issuances of equity or debt capital);
- inefficient or ineffective allocation of capital, including with respect to planned share repurchases;
- market conditions and other factors outside our control that adversely impact our ability to execute on our planned share repurchases or asset sales;
- changes in tax laws, such as the One Big Beautiful Bill Act (OBBBA), or otherwise regarding the deductibility of mortgage interest expenses and real estate taxes, including those resulting from regulatory guidance and interpretations issued with respect thereto, such as the IRS's guidance regarding heightened qualification requirements for federal credits for building energy-efficient homes;
- increased competition or delays in reacting to changing consumer preferences in home design;
- natural disasters, severe weather, or other related events that could result in delays in land development or home construction, increase our costs or decrease demand in the impacted areas;
- shortages of or increased costs for labor used in housing production, including as a result of federal or state legislation, and/or enforcement, and the level of quality and craftsmanship provided by such labor;
- the potential recoverability of our deferred tax assets;
- 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;
- the results of litigation or government proceedings and fulfillment of any related obligations;
- the impact of construction defect and home warranty claims;
- the cost and availability of insurance and surety bonds, as well as the sufficiency of these instruments to cover potential losses incurred;
- the impact of information technology failures, cybersecurity issues or data security breaches, including cybersecurity incidents deploying evolving artificial intelligence tools and incidents impacting third-party service providers that we depend on to conduct our business;
- the impact of governmental regulations on homebuilding in key markets, such as regulations limiting the availability of water and electricity (including availability of electrical equipment such as transformers and meters); and
- the success of our sustainability initiatives, as well as the success of any other related partnerships or pilot programs we may enter into in order to increase the energy efficiency of our homes.

Any forward-looking statement, including any statement expressing confidence regarding future outcomes, speaks only as of the date on which such statement is made and, except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible to predict all such factors.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Executive Overview and Outlook

Market Conditions and Strategy

During the second quarter of fiscal 2026, sales paces reflected positive early momentum before plateauing in March with the disruption from geopolitical events. The military conflict in the Middle East heightened existing economic uncertainty and contributed to a rapid increase in mortgage rates, sharply higher energy prices, and other adverse macroeconomic pressures. Despite these uncertainties, the Company continued to execute on several margin-enhancing cost and mix initiatives that are expected to be realized over the remainder of fiscal 2026.

In response to the persistent affordability concerns and overall economic uncertainty, we have maintained a disciplined approach to operations and capital allocation. We continue to focus on our differentiated product strategy, increasing margins, selling non-strategic assets, and improving the efficiency of our land spend to support community count growth and facilitate share repurchases. Further, we are utilizing capital-efficient option agreements, when possible, to finance land spending, while keeping a prudent balance between optioned lots and on-balance sheet inventory.

With our common stock trading below book value, we accelerated our share buyback in the second quarter and repurchased 1.2 million shares of our common stock, approximately 4.0% of our outstanding shares at the end of our fiscal first quarter, for an aggregate $30.0 million. This brings our year-to-date share repurchases to $45.1 million, equating to approximately 6.3% of our outstanding shares at fiscal year end 2025. We expect to continue buyback activity in the coming quarters, using a portion of land sale proceeds to fund the repurchases.

We believe the Company is uniquely positioned to address affordability concerns of today's buyers and deliver a superior product and buying experience. Our differentiated strategy focuses on:

- *Advanced Home Performance*, which provides energy savings and lower utility bills, cleaner air, and a quieter and more durable home,
- *Curated Choices*, which include competitive mortgage pricing to drive customer savings, and a range of floorplan and style options,
- *Elevated Experiences*, highlighting our easy shopping process and trusted homebuyer support teams to drive high customer satisfaction, and
- *Community Impact*, featuring the Beazer Charity Foundation and our commitment to make a positive impact in the communities where we build.

Together, these lower the total ongoing costs of homeownership and deliver meaningful financial and lifestyle benefits that make buying a Beazer home more attainable and rewarding.

We continue to work towards our Multi-Year Goals, which include reaching more than 200 active communities by the end of fiscal 2027, reducing our net debt to net capitalization ratio to the low-30% range by the end of fiscal 2027, and achieving a double-digit compound annual growth rate in book value per share from the end of fiscal 2024 through fiscal 2027. We are confident in our differentiated product strategy, the value of our assets, and our ability to generate improving returns for our shareholders.

Overview of Results for Our Fiscal Second Quarter

The following is a summary of our performance against certain key operating and financial metrics during the quarter ended March 31, 2026 and a comparison to the quarter ended March 31, 2025:

- **During the quarter ended March 31, 2026, our average active community count of 167 was up 2.9% from 163 in the prior year quarter.** We ended the quarter with 169 active communities, up 4.3% from 162 a year ago, as we continue to make strides towards reaching 200 active communities by the end of fiscal 2027.
- **During the quarter ended March 31, 2026, orders per community per month were 2.1 compared to 2.3 in the prior year quarter, and our net new orders were 1,048, down 4.6% from 1,098 in the prior year quarter**. The decrease in sales pace compared to the prior year reflected weaker consumer sentiment driven by affordability challenges and uncertainties in the macroeconomic environment. We continue to adjust prices, features and incentives to align with the current competitive market conditions.

- **As of March 31, 2026, our land position included 24,824 controlled lots, down 12.3% from 28,290 as of March 31, 2025.** We invested $187.0 million in land acquisition and land development during the quarter ended March 31, 2026, down from $197.0 million during the quarter ended March 31, 2025. We continued to manage our land spend and lot position to improve our capital efficiency and support future community count growth. As part of these efforts, we have realigned the portfolio, divested non-strategic assets, and improved the efficiency of our land spend by using lot option agreements. As of March 31, 2026, we had 14,145 lots, or 59.9% of our total active lots, under option agreements as compared to 16,322 lots, or 59.3% of our total active lots, under option agreements as of March 31, 2025.

- **Our Average Selling Price (ASP) for homes closed during the quarter ended March 31, 2026 was $525.4 thousand, up 2.0% from $515.3 thousand in the prior year quarter.** Our backlog ASP as of March 31, 2026 was $582.1 thousand, up 6.8% from $544.9 thousand in the prior year quarter. The increase in closing and backlog ASP compared to the prior year quarter was primarily due to changes in product and community mix.

- **Homebuilding gross margin for the quarter ended March 31, 2026 was 12.0%, down from 15.1% compared to the prior year quarter.** Homebuilding gross margin was impacted by inventory impairment and abandonment charges of $1.3 million during the quarter ended March 31, 2026 related to a project in progress community in our Houston market, principally due to a reduction in price driven by the competitive market dynamics. Refer to Note 4 to the condensed consolidated financial statements included in this Form 10-Q for further discussion. Homebuilding gross margin, excluding impairments, abandonments and interest amortization, for the quarter ended March 31, 2026 was 15.6%, down from 18.3% in the prior year quarter. The decrease in homebuilding gross margin compared to the prior year quarter was primarily due to an increase in price concessions and closing cost incentives, and changes in product and community mix.

- **SG&A for the quarter ended March 31, 2026 was 15.5% of total revenue, up from 12.0% in the prior year quarter.** The increase in SG&A as a percentage of total revenue compared to the prior year quarter was primarily due to lower homebuilding revenue. SG&A expense was $63.6 million for the quarter ended March 31, 2026, down 6.5% compared to the prior year quarter primarily due to lower commissions. We remain focused on prudently managing overhead costs.

Seasonal and Quarterly Variability

Our homebuilding operating cycle historically has reflected escalating new order activity in the second and third fiscal quarters and increased closings in the third and fourth fiscal quarters. However, these seasonal patterns may be impacted by a variety of factors, including periods of market volatility and changes in mortgage interest rates, which may result in increased or decreased new orders and/or revenues and closings that are outside of the normal ranges typically realized on account of seasonality. Accordingly, our financial results for the three and six months ended March 31, 2026 may not be indicative of our full year results.

RESULTS OF OPERATIONS:

The following table summarizes certain key income statement metrics for the periods presented:

$ in thousands	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Six Months Ended March 31, 2026	Six Months Ended March 31, 2025
Revenue:				
Homebuilding	**$ 397,748**	$ 556,032	**$ 757,490**	$ 1,016,454
Land sales and other	**12,098**	9,307	**15,847**	17,838
Total	**$ 409,846**	$ 565,339	**$ 773,337**	$ 1,034,292
Gross profit:				
Homebuilding	**$ 47,639**	$ 84,132	**$ 85,055**	$ 154,107
Land sales and other	**1,061**	1,866	**849**	3,969
Total	**$ 48,700**	$ 85,998	**$ 85,904**	$ 158,076
Gross margin:				
Homebuilding[(a)]	**12.0 %**	15.1 %	**11.2 %**	15.2 %
Land sales and other[(b)]	**8.8 %**	20.0 %	**5.4 %**	22.3 %
Total	**11.9 %**	15.2 %	**11.1 %**	15.3 %
Commissions	**$ 13,390**	$ 18,783	**$ 25,406**	$ 34,896
General and administrative expenses (G&A)	**$ 50,194**	$ 49,199	**$ 103,183**	$ 98,971
SG&A (commissions plus G&A) as a percentage of total revenue	**15.5 %**	12.0 %	**16.6 %**	12.9 %
G&A as a percentage of total revenue	**12.2 %**	8.7 %	**13.3 %**	9.6 %
Depreciation and amortization	**$ 4,084**	$ 4,647	**$ 8,126**	$ 8,702
Operating (loss) income	**$ (18,968)**	$ 13,369	**$ (50,811)**	$ 15,507
Operating (loss) income as a percentage of total revenue	**(4.6) %**	2.4 %	**(6.6) %**	1.5 %
Effective tax rate[(c)]	**95.1 %**	9.8 %	**32.5 %**	8.2 %
Inventory impairments and abandonments	**$ 1,295**	$ 528	**$ 3,665**	$ 528

(a) Excluding impairments, abandonments, and interest amortized to cost of sales, homebuilding gross margin was 15.6% and 18.3% for the three months ended March 31, 2026 and 2025, respectively, and 14.9% and 18.3% for the six months ended March 31, 2026 and 2025, respectively. A litigation-related charge was recognized during the six months ended March 31, 2026, which reduced homebuilding gross margin, excluding impairments, abandonments, and interest, by 0.8%. Please see the "Homebuilding Gross Profit and Gross Margin" section below for a reconciliation of homebuilding gross profit and the related gross margin excluding impairments and abandonments and interest amortized to cost of sales (non-GAAP measures) to homebuilding gross profit and gross margin, the most directly comparable GAAP measure.

(b) Calculated as land sales and other gross profit divided by land sales and other revenue.

(c) Calculated as tax (benefit) expense for the period divided by (loss) income before income taxes. Our income tax (benefit) expense is not always directly correlated to the amount of pre-tax (loss) income for the associated period due to a variety of factors, including, but not limited to, the impact of tax credits and permanent differences. Our tax credits are predominantly due to the energy efficiency of our homes, with credits valued between $2,000 and $5,000 per single family home. On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was signed into law. The OBBBA repeals many of the energy efficiency credits enacted under the Inflation Reduction Act, including our ability to claim energy efficient new home tax credits for homes that close after June 30, 2026. For the three and six months ended March 31, 2026, the Company's effective tax rates were also affected by a change in the approach used to calculate the interim income tax provision, reducing comparability with the prior year periods. Refer to Note 10 to the condensed consolidated financial statements included in this Form 10-Q for additional details.

Reconciliation of Net (Loss) Income (GAAP) to Adjusted EBITDA (Non-GAAP)

Reconciliation of Net (Loss) Income (GAAP measure) to Adjusted EBITDA (Non-GAAP measure) is provided for each period discussed below. Management believes that Adjusted EBITDA assists investors in understanding and comparing core operating results and underlying business trends by eliminating many of the differences in companies' respective capitalization, tax position, level of impairments, and other non-recurring items. This non-GAAP financial measure may not be comparable to other similarly titled measures of other companies and should not be considered in isolation or as a substitute for, or superior to, financial measures prepared in accordance with GAAP.

The following table reconciles our net (loss) income (GAAP) to Adjusted EBITDA (non-GAAP) for the periods presented:

	Three Months Ended March 31,			Six Months Ended March 31,			LTM Ended March 31,[a]		
in thousands	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**
Net (loss) income (GAAP)	**$ (904)**	$ 12,778	**$ (13,682)**	**$ (33,501)**	$ 15,908	**$ (49,409)**	**$ (3,821)**	$ 95,184	**$ (99,005)**
(Benefit) expense from income taxes	**(17,631)**	1,390	**(19,021)**	**(16,099)**	1,426	**(17,525)**	**(22,263)**	12,416	**(34,679)**
Interest amortized to home construction and land sales expenses and capitalized interest impaired	**13,892**	17,758	**(3,866)**	**25,815**	31,668	**(5,853)**	**73,013**	72,640	**373**
EBIT (Non-GAAP)	**(4,643)**	31,926	**(36,569)**	**(23,785)**	49,002	**(72,787)**	**46,929**	180,240	**(133,311)**
Depreciation and amortization	**4,084**	4,647	**(563)**	**8,126**	8,702	**(576)**	**18,592**	17,763	**829**
EBITDA (Non-GAAP)	**(559)**	36,573	**(37,132)**	**(15,659)**	57,704	**(73,363)**	**65,521**	198,003	**(132,482)**
Stock-based compensation expense	**1,876**	1,712	**164**	**3,430**	3,625	**(195)**	**7,143**	7,954	**(811)**
Inventory impairments and abandonments[b]	**1,260**	528	**732**	**3,564**	528	**3,036**	**14,533**	2,524	**12,009**
Adjusted EBITDA (Non-GAAP)	**$ 2,577**	$ 38,813	**$ (36,236)**	**$ (8,665)**	$ 61,857	**$ (70,522)**	**$ 87,197**	$ 208,481	**$ (121,284)**

[a] "LTM" indicates amounts for the trailing 12 months.

[b] In periods during which we impaired certain of our inventory assets, capitalized interest that is impaired is included in the line above titled "Interest amortized to home construction and land sales expenses and capitalized interest impaired."

Reconciliation of Total Debt to Total Capitalization Ratio (GAAP) to Net Debt to Net Capitalization Ratio (Non-GAAP)

Reconciliation of total debt to total capitalization ratio (GAAP measure) to net debt to net capitalization ratio (non-GAAP measure) is provided for each period below. Management believes that net debt to net capitalization ratio is useful in understanding the leverage employed in our operations and as an indicator of our ability to obtain financing. This non-GAAP financial measure may not be comparable to other similarly titled measures of other companies and should not be considered in isolation or as a substitute for, or superior to, financial measures prepared in accordance with GAAP.

in thousands	**As of March 31, 2026**	As of March 31, 2025
Total debt (GAAP)	**$ 1,225,996**	$ 1,082,231
Stockholders' equity (GAAP)	**1,170,780**	1,228,067
Total capitalization (GAAP)	**$ 2,396,776**	$ 2,310,298
Total debt to total capitalization ratio (GAAP)	**51.2 %**	46.8 %
Total debt (GAAP)	**$ 1,225,996**	$ 1,082,231
Less: cash and cash equivalents (GAAP)	**116,440**	85,082
Net debt (Non-GAAP)	**1,109,556**	997,149
Stockholders' equity (GAAP)	**1,170,780**	1,228,067
Net capitalization (Non-GAAP)	**$ 2,280,336**	$ 2,225,216
Net debt to net capitalization ratio (Non-GAAP)	**48.7 %**	44.8 %

Homebuilding Operations Data

The following table summarizes net new orders and cancellation rates by reportable segment for the periods presented:

	Three Months Ended March 31,				
	New Orders, net			Cancellation Rates	
	2026	2025	**26 vs 25**	**2026**	2025
West	**599**	665	**(9.9)%**	**15.0 %**	18.2 %
East	**249**	257	**(3.1)%**	**12.9 %**	16.6 %
Southeast	**200**	176	**13.6 %**	**9.1 %**	12.0 %
Total	**1,048**	1,098	**(4.6)%**	**13.5 %**	16.9 %

	Six Months Ended March 31,				
	New Orders, net			Cancellation Rates	
	2026	2025	**26 vs 25**	**2026**	2025
West	**1,057**	1,254	**(15.7)%**	**17.7 %**	17.8 %
East	**425**	484	**(12.2)%**	**15.2 %**	15.2 %
Southeast	**329**	292	**12.7 %**	**8.6 %**	14.4 %
Total	**1,811**	2,030	**(10.8)%**	**15.6 %**	16.7 %

Net new orders for the quarter ended March 31, 2026 decreased to 1,048, down 4.6% from the quarter ended March 31, 2025. The decrease in net new orders compared to the prior year quarter was driven by a 7.2% decrease in sales pace from 2.3 orders per community per month in the prior year quarter to 2.1, partially offset by a 2.9% increase in average active community count from 163 in the prior year quarter to 167.

Net new orders for the six months ended March 31, 2026 decreased to 1,811, down 10.8% from the six months ended March 31, 2025. The decrease in net new orders compared to the prior year period was driven by a 13.6% decrease in sales pace from 2.1 orders per community per month in the prior year period to 1.8, partially offset by a 3.3% increase in average active community count from 162 in the prior year period to 167.

Three Months Ended March 31, 2026 as compared to 2025

West Segment: Net new orders for the quarter ended March 31, 2026 decreased to 599, down 9.9% from the quarter ended March 31, 2025. The decrease in net new orders compared to the prior year quarter was driven by a 12.5% decrease in sales pace from 2.2 orders per community per month in the prior year quarter to 1.9, partially offset by a 3.0% increase in average active community count from 101 in the prior year quarter to 104.

East Segment: Net new orders for the quarter ended March 31, 2026 decreased to 249, down 3.1% from the quarter ended March 31, 2025. The decrease in net new orders compared to the prior year quarter was driven by a 9.3% decrease in average active community count from 36 in the prior year quarter to 32, partially offset by a 6.9% increase in sales pace from 2.4 orders per community per month in the prior year quarter to 2.6.

Southeast Segment: Net new orders for the quarter ended March 31, 2026 increased to 200, up 13.6% from the quarter ended March 31, 2025. The increase in net new orders compared to the prior year quarter was driven by a 19.2% increase in average active community count from 26 in the prior year quarter to 31, partially offset by a 4.7% decrease in sales pace from 2.3 orders per community per month in the prior year quarter to 2.2. The growth in average active communities is mainly attributed to our Atlanta submarket.

Six Months Ended March 31, 2026 as compared to 2025

West Segment: Net new orders for the six months ended March 31, 2026 decreased to 1,057, down 15.7% from the six months ended March 31, 2025. The decrease in net new orders was driven by an 18.8% decrease in sales pace from 2.1 orders per community per month to 1.7, partially offset by a 3.8% increase in average active community count from 102 to 106.

East Segment: Net new orders for the six months ended March 31, 2026 decreased to 425, down 12.2% from the six months ended March 31, 2025. The decrease in net new orders was driven by a 10.3% decrease in average active community count from 36 to 32 and a 2.1% decrease in sales pace from 2.3 orders per community per month to 2.2.

Southeast Segment: Net new orders for the six months ended March 31, 2026 increased to 329, up 12.7% from the six months ended March 31, 2025. The increase in net new orders was driven by a 20.8% increase in average active community count from 25 to 30, partially offset by a 6.7% decrease in sales pace from 2.0 orders per community per month to 1.8. The growth in average active communities is mainly attributed to our Atlanta submarket.

The table below summarizes backlog units by reportable segment as well as the aggregate dollar value and ASP of homes in backlog as of March 31, 2026 and 2025:

	As of March 31,		
	2026	2025	**26 vs 25**
Backlog Units:			
West	**687**	931	**(26.2)%**
East	**315**	368	**(14.4)%**
Southeast	**297**	227	**30.8 %**
Total	**1,299**	1,526	**(14.9)%**
Aggregate dollar value of homes in backlog (in millions)	**$ 756.1**	$ 831.5	**(9.1)%**
ASP in backlog (in thousands)	**$ 582.1**	$ 544.9	**6.8 %**

Backlog reflects the number of homes for which the Company has entered into a sales contract with a customer but has not yet delivered the home. The decrease in backlog units was primarily due to beginning the fiscal quarter with fewer backlog units and year-over-year lower net new orders for the quarter ended March 31, 2026. The aggregate dollar value of homes in backlog as of March 31, 2026 decreased 9.1% compared to March 31, 2025 due to a 14.9% decrease in backlog units, partially offset by a 6.8% increase in the ASP of homes in backlog. The increase in backlog ASP compared to the prior year quarter was primarily due to changes in product and community mix.

Homebuilding Revenue, Average Selling Price, and Closings

The table below summarizes homebuilding revenue, ASP of our homes closed, and closings by reportable segment for the periods presented:

	Three Months Ended March 31,								
	Homebuilding Revenue			Average Selling Price			Closings		
$ in thousands	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**
West	**$ 231,285**	$ 365,141	**(36.7)%**	**$ 503.9**	$ 516.5	**(2.4)%**	**459**	707	**(35.1)%**
East	**90,781**	120,420	**(24.6)%**	**563.9**	523.6	**7.7 %**	**161**	230	**(30.0)%**
Southeast	**75,682**	70,471	**7.4 %**	**552.4**	496.3	**11.3 %**	**137**	142	**(3.5)%**
Total	**$ 397,748**	$ 556,032	**(28.5)%**	**$ 525.4**	$ 515.3	**2.0 %**	**757**	1,079	**(29.8)%**

	Six Months Ended March 31,								
	Homebuilding Revenue			Average Selling Price			Closings		
$ in thousands	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**
West	**$ 451,494**	$ 657,004	**(31.3)%**	**$ 504.5**	$ 510.1	**(1.1)%**	**895**	1,288	**(30.5)%**
East	**183,907**	228,984	**(19.7)%**	**544.1**	531.3	**2.4 %**	**338**	431	**(21.6)%**
Southeast	**122,089**	130,466	**(6.4)%**	**545.0**	488.6	**11.5 %**	**224**	267	**(16.1)%**
Total	**$ 757,490**	$ 1,016,454	**(25.5)%**	**$ 519.9**	$ 511.8	**1.6 %**	**1,457**	1,986	**(26.6)%**

Three Months Ended March 31, 2026 as compared to 2025

West Segment: Homebuilding revenue decreased by 36.7% for the three months ended March 31, 2026 compared to the prior year quarter due to a 35.1% decrease in closings and a 2.4% decrease in ASP. The decrease in closings was primarily due to lower beginning backlog, partially offset by improved construction cycle times compared to the prior year quarter.

East Segment: Homebuilding revenue decreased by 24.6% for the three months ended March 31, 2026 compared to the prior year quarter due to a 30.0% decrease in closings, partially offset by a 7.7% increase in ASP. The decrease in closings was primarily due to lower beginning backlog, partially offset by improved construction cycle times compared to the prior year quarter.

Southeast Segment: Homebuilding revenue increased by 7.4% for the three months ended March 31, 2026 compared to the prior year quarter due to an 11.3% increase in ASP, partially offset by a 3.5% decrease in closings. The decrease in closings was primarily due to lower volume of spec homes that sold and closed within the current fiscal quarter, partially offset by higher beginning backlog and improved construction cycle times compared to the prior year quarter.

Six Months Ended March 31, 2026 as compared to 2025

West Segment: Homebuilding revenue decreased by 31.3% for the six months ended March 31, 2026 compared to the six months ended March 31, 2025 due to a 30.5% decrease in closings and a 1.1% decrease in ASP. The decrease in closings was primarily due to lower beginning backlog, partially offset by improved construction cycle times compared to the prior year period.

East Segment: Homebuilding revenue decreased by 19.7% for the six months ended March 31, 2026 compared to the six months ended March 31, 2025 due to a 21.6% decrease in closings, partially offset by a 2.4% increase in ASP. The decrease in closings was primarily due to lower beginning backlog, partially offset by improved construction cycle times compared to the prior year period.

Southeast Segment: Homebuilding revenue decreased by 6.4% for the six months ended March 31, 2026 compared to the six months ended March 31, 2025 due to a 16.1% decrease in closings, partially offset by an 11.5% increase in ASP. The decrease in closings was primarily due to lower beginning backlog, partially offset by improved construction cycle times compared to the prior year period.

Homebuilding Gross Profit and Gross Margin

The following tables present our homebuilding (HB) gross profit and gross margin by reportable segment and Corporate and unallocated. In addition, such amounts are presented excluding inventory impairments and abandonments and interest amortized to cost of sales (COS). Homebuilding gross profit is defined as homebuilding revenue less home cost of sales (which includes land and land development costs, home construction costs, capitalized interest, indirect costs of construction, estimated warranty costs, closing costs, and inventory impairment and abandonment charges).

Reconciliation of homebuilding gross profit and homebuilding gross margin (GAAP measures) to homebuilding gross profit and the related gross margin excluding impairments and abandonments and interest amortized to cost of sales (non-GAAP measures) is provided for each period discussed below. Management believes that this information assists investors in comparing the operating characteristics of homebuilding activities by eliminating many of the differences in companies' respective level of impairments and level of debt. These non-GAAP financial measures may not be comparable to other similarly titled measures of other companies and should not be considered in isolation or as a substitute for, or superior to, financial measures prepared in accordance with GAAP.

	Three Months Ended March 31, 2026							
$ in thousands	**HB Gross Profit (GAAP)**	**HB Gross Margin (GAAP)**	**Impairments & Abandonments (I&A)**	**HB Gross Profit excluding I&A (Non-GAAP)**	**HB Gross Margin excluding I&A (Non-GAAP)**	**Interest Amortized to COS (Interest)**	**HB Gross Profit excluding I&A and Interest (Non-GAAP)**	**HB Gross Margin excluding I&A and Interest (Non-GAAP)**
West	**$ 32,540**	**14.1 %**	**$ 1,174**	**$ 33,714**	**14.6 %**	**$ —**	**$ 33,714**	**14.6 %**
East	**13,250**	**14.6 %**	**—**	**13,250**	**14.6 %**	**—**	**13,250**	**14.6 %**
Southeast	**12,914**	**17.1 %**	**—**	**12,914**	**17.1 %**	**—**	**12,914**	**17.1 %**
Corporate & unallocated[(a)]	**(11,065)**		**121**	**(10,944)**		**13,087**	**2,143**	
Total homebuilding	**$ 47,639**	**12.0 %**	**$ 1,295**	**$ 48,934**	**12.3 %**	**$ 13,087**	**$ 62,021**	**15.6 %**

	Three Months Ended March 31, 2025							
$ in thousands	**HB Gross Profit (GAAP)**	**HB Gross Margin (GAAP)**	**Impairments & Abandonments (I&A)**	**HB Gross Profit excluding I&A (Non-GAAP)**	**HB Gross Margin excluding I&A (Non-GAAP)**	**Interest Amortized to COS (Interest)**	**HB Gross Profit excluding I&A and Interest (Non-GAAP)**	**HB Gross Margin excluding I&A and Interest (Non-GAAP)**
West	$ 69,205	19.0 %	$ 528	$ 69,733	19.1 %	$ —	$ 69,733	19.1 %
East	17,677	14.7 %	—	17,677	14.7 %	—	17,677	14.7 %
Southeast	11,486	16.3 %	—	11,486	16.3 %	—	11,486	16.3 %
Corporate & unallocated[(a)]	(14,236)		—	(14,236)		17,226	2,990	
Total homebuilding	$ 84,132	15.1 %	$ 528	$ 84,660	15.2 %	$ 17,226	$ 101,886	18.3 %

$ in thousands	Six Months Ended March 31, 2026 HB Gross Profit (GAAP)	HB Gross Margin (GAAP)	Impairments & Abandonments (I&A)	HB Gross Profit excluding I&A (Non-GAAP)	HB Gross Margin excluding I&A (Non-GAAP)	Interest Amortized to COS (Interest)	HB Gross Profit excluding I&A and Interest (Non-GAAP)	HB Gross Margin excluding I&A and Interest (Non-GAAP)
West	**$ 61,876**	**13.7 %**	**$ 2,478**	**$ 64,354**	**14.3 %**	**$ —**	**$ 64,354**	**14.3 %**
East	**26,952**	**14.7 %**	**21**	**26,973**	**14.7 %**	**—**	**26,973**	**14.7 %**
Southeast	**19,659**	**16.1 %**	**—**	**19,659**	**16.1 %**	**—**	**19,659**	**16.1 %**
Corporate & unallocated [(a)]	**(23,432)**		**121**	**(23,311)**		**24,841**	**1,530**	
Total homebuilding	**$ 85,055**	**11.2 %**	**$ 2,620**	**$ 87,675**	**11.6 %**	**$ 24,841**	**$ 112,516**	**14.9 %**

$ in thousands	Six Months Ended March 31, 2025 HB Gross Profit (GAAP)	HB Gross Margin (GAAP)	Impairments & Abandonments (I&A)	HB Gross Profit excluding I&A (Non-GAAP)	HB Gross Margin excluding I&A (Non-GAAP)	Interest Amortized to COS (Interest)	HB Gross Profit excluding I&A and Interest (Non-GAAP)	HB Gross Margin excluding I&A and Interest (Non-GAAP)
West	$ 122,513	18.6 %	$ 528	$ 123,041	18.7 %	$ —	$ 123,041	18.7 %
East	34,050	14.9 %	—	34,050	14.9 %	—	34,050	14.9 %
Southeast	21,139	16.2 %	—	21,139	16.2 %	—	21,139	16.2 %
Corporate & unallocated [(a)]	(23,595)		—	(23,595)		31,136	7,541	
Total homebuilding	$ 154,107	15.2 %	$ 528	$ 154,635	15.2 %	$ 31,136	$ 185,771	18.3 %

[(a)] Corporate and unallocated includes amortization of capitalized interest, capitalization and amortization of indirect costs related to homebuilding activities, as well as capitalized interest and capitalized indirect costs impaired in order to reflect projects in progress assets at fair value, when applicable. For the six months ended March 31, 2026, Corporate and unallocated also included a litigation-related charge that reduced total homebuilding gross margin, excluding impairments, abandonments, and interest, by 0.8%.

Three Months Ended March 31, 2026 as compared to 2025

Our homebuilding gross profit decreased by $36.5 million to $47.6 million for the three months ended March 31, 2026, compared to $84.1 million in the prior year quarter. The decrease in homebuilding gross profit compared to the prior year quarter was primarily due to a decrease in homebuilding revenue of $158.3 million and a decrease in gross margin of 310 basis points to 12.0%. As shown in the tables above, the comparability of our gross profit and gross margin was impacted by impairment and abandonment charges, which increased by $0.8 million, and interest amortized to homebuilding cost of sales, which decreased by $4.1 million compared to the prior year quarter (refer to Note 4 and Note 5 to the condensed consolidated financial statements in this Form 10-Q for additional details). When excluding the impact of impairment and abandonment charges and interest amortized to homebuilding cost of sales, homebuilding gross profit decreased by $39.9 million compared to the prior year quarter, while homebuilding gross margin decreased by 270 basis points to 15.6%. The decrease in gross margin for the three months ended March 31, 2026 compared to the prior year quarter was due to an increase in price concessions and closing cost incentives, and changes in product and community mix.

West Segment: Compared to the prior year quarter, homebuilding gross profit decreased by $36.7 million due to a decrease in homebuilding revenue and lower gross margin. Homebuilding gross margin, excluding impairments and abandonments, decreased to 14.6%, down from 19.1% in the prior year quarter, primarily due to an increase in price concessions and closing cost incentives, and changes in product and community mix.

East Segment: Compared to the prior year quarter, homebuilding gross profit decreased by $4.4 million due to a decrease in homebuilding revenue. Homebuilding gross margin, excluding impairments and abandonments, remained relatively flat at 14.6% compared to 14.7% in the prior year quarter, as reductions in direct construction costs largely offset increases in price concessions and land costs.

Southeast Segment: Compared to the prior year quarter, homebuilding gross profit increased by $1.4 million due to an increase in homebuilding revenue and higher gross margin. Homebuilding gross margin, excluding impairments and abandonments, increased to 17.1%, up from 16.3% in the prior year quarter, primarily due to a decrease in price concessions and reductions in direct construction costs.

Six Months Ended March 31, 2026 as compared to 2025

Our homebuilding gross profit decreased by $69.1 million to $85.1 million for the six months ended March 31, 2026, from $154.1 million in the prior year period. The decrease in homebuilding gross profit was primarily due to a decrease in homebuilding revenue of $259.0 million and a decrease in gross margin of 400 basis points to 11.2%. Similar to the three-month period discussed above, the comparability of our gross profit and gross margin for the six-month period was impacted by impairment and abandonment charges, which increased by $2.1 million, and interest amortized to homebuilding cost of sales, which decreased by $6.3 million year-over-year (refer to Note 4 and Note 5 to the condensed consolidated financial statements in this Form 10-Q for additional details). When excluding the impact of impairment and abandonment charges and interest amortized to homebuilding cost of sales, homebuilding gross profit decreased by $73.3 million compared to the prior year period, while homebuilding gross margin decreased by 340 basis points to 14.9%. The decrease in gross margin for the six months ended March 31, 2026 compared to the prior year period was primarily due to an increase in price concessions and closing cost incentives, changes in product and community mix, and a litigation-related charge recognized in Corporate and unallocated during the quarter ended December 31, 2025 (refer to Note 8 of the notes to the condensed consolidated financial statements included in this Form 10-Q for further discussion). The litigation-related charge reduced homebuilding gross margin, excluding impairments, abandonments, and interest, by 0.8%.

West Segment: Compared to the prior year period, homebuilding gross profit decreased by $60.6 million due to a decrease in homebuilding revenue and lower gross margin. Homebuilding gross margin, excluding impairments and abandonments, decreased to 14.3%, down from 18.7% in the prior year period, primarily due to an increase in price concessions and closing cost incentives and changes in product and community mix.

East Segment: Compared to the prior year period, homebuilding gross profit decreased by $7.1 million due to a decrease in homebuilding revenue. Homebuilding gross margin, excluding impairments and abandonments, remained relatively flat at 14.7% compared to 14.9% in the prior year period, as reductions in direct construction costs largely offset increases in price concessions and land costs.

Southeast Segment: Compared to the prior year period, homebuilding gross profit decreased by $1.5 million due to a decrease in homebuilding revenue. Homebuilding gross margin, excluding impairments and abandonments, remained relatively flat at 16.1% compared to 16.2% in the prior year period, as reductions in direct construction costs largely offset increases in price concessions and land costs.

Measures of homebuilding gross profit and gross margin after excluding inventory impairments and abandonments, interest amortized to cost of sales, and other non-recurring items are non-GAAP financial measures. These measures should not be considered alternatives to homebuilding gross profit and gross margin determined in accordance with GAAP as an indicator of operating performance.

Land Sales and Other Revenue and Gross Profit

Land sales relate to land and lots sold that do not fit within our homebuilding programs or strategic plans. We also have other revenue related to title examinations provided for our homebuyers in certain markets. The following tables summarize our land sales and other revenue and related gross profit by reportable segment and Corporate and unallocated for the periods presented:

	Land Sales and Other Revenue			Land Sales and Other Gross Profit		
	Three Months Ended March 31,			Three Months Ended March 31,		
in thousands	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**
West	**$ 5,571**	$ 8,715	**$ (3,144)**	**$ 1,431**	$ 2,234	**$ (803)**
East	**6,344**	436	**5,908**	**822**	294	**528**
Southeast	**183**	156	**27**	**126**	104	**22**
Corporate and unallocated[a]	**—**	—	**—**	**(1,318)**	(766)	**(552)**
Total	**$ 12,098**	$ 9,307	**$ 2,791**	**$ 1,061**	$ 1,866	**$ (805)**

	Land Sales and Other Revenues			Land Sales and Other Gross Profit		
	Six Months Ended March 31,			Six Months Ended March 31,		
in thousands	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**
West	**$ 8,866**	$ 15,768	**$ (6,902)**	**$ 2,072**	$ 3,933	**$ (1,861)**
East	**6,677**	1,754	**4,923**	**161**	588	**(427)**
Southeast	**304**	316	**(12)**	**204**	214	**(10)**
Corporate and unallocated[a]	**—**	—	**—**	**(1,588)**	(766)	**(822)**
Total	**$ 15,847**	$ 17,838	**$ (1,991)**	**$ 849**	$ 3,969	**$ (3,120)**

[a] Corporate and unallocated includes capitalized interest and capitalized indirect costs expensed to land cost of sales related to land and lots sold, as well as capitalized interest and capitalized indirect costs impaired in order to reflect land held for sale assets at fair value less cost to sell.

For the three months ended March 31, 2026, land sales and other revenue increased by $2.8 million to $12.1 million, and land sales and other gross profit decreased by $0.8 million to $1.1 million compared to the prior year quarter. For the six months ended March 31, 2026, land sales and other revenue decreased by $2.0 million to $15.8 million, and land sales and other gross profit decreased by $3.1 million to $0.8 million compared to the prior year period. Also, during the six months ended March 31, 2026, we recognized $1.0 million in land held for sale impairment charges related to two held for sale communities in our West and East segments.

Period-over-period fluctuations on land sales and other revenue are primarily driven by the timing and volume of land and lot sales closings. As we continue to proactively manage our land position and divest land assets that no longer align with our strategic priorities, the dollar value of land sales and other revenue may grow. Land sales and other gross profit are primarily impacted by the profitability of individual land and lot sale transactions as well as the volume of our title examinations operations. Future land and lot sales will depend on a variety of factors, including local market conditions, individual community performance, and changing strategic plans.

Operating Income

The table below summarizes operating income by reportable segment and Corporate and unallocated for the periods presented:

	Three Months Ended March 31,			Six Months Ended March 31,		
in thousands	**2026**	2025	**26 vs 25**	**2026**	2025	**26 vs 25**
West	**$ 6,075**	$ 39,475	**$ (33,400)**	**$ 10,256**	$ 66,889	**(56,633)**
East	**4,327**	7,557	**(3,230)**	**7,860**	14,229	**(6,369)**
Southeast	**4,539**	3,737	**802**	**4,551**	6,358	**(1,807)**
Corporate and unallocated[a]	**(33,909)**	(37,400)	**3,491**	**(73,478)**	(71,969)	**(1,509)**
Operating (loss) income	**$ (18,968)**	$ 13,369	**$ (32,337)**	**$ (50,811)**	$ 15,507	**$ (66,318)**

[a] Includes amortization of capitalized interest, capitalization and amortization of indirect costs, impairment of capitalized interest and capitalized indirect costs, when applicable, expenses related to numerous shared services functions that benefit all segments but are not allocated to the operating segments reported above, including information technology, treasury, corporate finance, legal, branding and national marketing, and certain other amounts that are not allocated to our operating segments.

Our operating income decreased by $32.3 million to a loss of $19.0 million for the three months ended March 31, 2026, compared to operating income of $13.4 million for the three months ended March 31, 2025. This decrease compared to the prior year quarter was primarily due to the previously discussed decrease in gross profit and gross margin. SG&A expense decreased 6.5% compared to the prior year primarily due to lower commissions expense on lower homebuilding revenue. SG&A as a percentage of total revenue increased by 350 basis points compared to the prior year quarter, from 12.0% to 15.5%, primarily due to lower homebuilding revenue.

Our operating income decreased by $66.3 million to a loss of $50.8 million for the six months ended March 31, 2026, compared to operating income of $15.5 million for the six months ended March 31, 2025. This decrease compared to the prior year period was primarily due to the previously discussed decrease in gross profit and gross margin. SG&A expense decreased 3.9% compared to the prior year primarily due to lower commissions expense on lower homebuilding revenue, partially offset by higher sales and marketing costs. SG&A as a percentage of total revenue increased by 370 basis points compared to the prior year period, from 12.9% to 16.6%, primarily due to lower homebuilding revenue.

Three Months Ended March 31, 2026 as compared to 2025

West Segment: The $33.4 million decrease in operating income compared to the prior year quarter was primarily due to the lower gross profit previously discussed and higher sales and marketing costs, partially offset by lower commissions expense on lower homebuilding revenue.

East Segment: The $3.2 million decrease in operating income compared to the prior year quarter was primarily due to the lower gross profit previously discussed and higher sales and marketing costs, partially offset by lower commissions expense on lower homebuilding revenue.

Southeast Segment: The $0.8 million increase in operating income compared to the prior year quarter was primarily due to the higher gross profit previously discussed and lower other G&A costs, partially offset by higher sales and marketing costs.

Corporate and Unallocated: Our corporate and unallocated results include amortization of capitalized interest, capitalization and amortization of indirect costs, impairment of capitalized interest and capitalized indirect costs, expenses for various shared services functions that benefit all segments but are not allocated, including information technology, treasury, corporate finance, legal, branding and national marketing, and certain other amounts that are not allocated to our operating segments. For the three months ended March 31, 2026, corporate and unallocated net expenses decreased by $3.5 million from the prior year quarter primarily due to lower amortization of capitalized interest costs expensed to homebuilding cost of sales on lower closings and homebuilding revenue, and lower G&A costs.

Six Months Ended March 31, 2026 as compared to 2025

West Segment: The $56.6 million decrease in operating income compared to the prior year period was primarily due to the decrease in gross profit previously discussed and higher sales and marketing costs, partially offset by lower commissions expense on lower homebuilding revenue.

East Segment: The $6.4 million decrease in operating income compared to the prior year period was primarily due to the decrease in gross profit previously discussed and higher sales and marketing costs, partially offset by lower commission expenses on lower homebuilding revenue.

Southeast Segment: The $1.8 million decrease in operating income compared to the prior year period was primarily due to the decrease in gross profit previously discussed and higher sales and marketing costs, partially offset by lower commissions expense on lower homebuilding revenue.

Corporate and Unallocated: For the six months ended March 31, 2026, corporate and unallocated net expenses increased by $1.5 million from the prior year period primarily due to a litigation-related charge (refer to Note 8 to the condensed consolidated financial statements included in this Form 10-Q for further discussion), partially offset by lower amortization of capitalized interest costs expensed to homebuilding cost of sales on lower closings and homebuilding revenue.

Income Taxes

Our income tax expense or benefit and related effective tax rate are affected by a variety of factors, including, but not limited to, tax credits, permanent differences and other discrete items. A comparison of our effective tax rates should also consider the changes in valuation allowance in periods when a change occurs. As such, our income tax expense or benefit is not always directly correlated to the amount of pre-tax income or loss for the associated periods. For the three and six months ended March 31, 2026, the Company's effective tax rates were also affected by a change in the approach used to calculate the interim income tax provision, reducing comparability with the prior year periods. Refer to Note 10 to the condensed consolidated financial statements included in this Form 10-Q for additional details.

We recognized income tax benefit of $17.6 million and $16.1 million for the three and six months ended March 31, 2026, compared to income tax expense of $1.4 million and $1.4 million for the three and six months ended March 31, 2025. Income tax benefit for the six months ended March 31, 2026 was primarily driven by income tax benefit on loss from operations, energy efficiency tax credits generated from closings during the current fiscal year, and a discrete tax benefit from tax credits related to prior year activities, partially offset by permanent differences, and stock-based compensation activity in the period. Income tax expense for the six months ended March 31, 2025 was primarily driven by income tax expense on earnings from operations and permanent differences, partially offset by energy efficiency tax credits generated from expected closings during the current fiscal year, and stock-based compensation activity in the period.

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was signed into law. The OBBBA repeals many of the energy efficiency credits enacted under the Inflation Reduction Act, including our ability to claim energy efficient new home tax credits for homes that close after June 30, 2026.

Liquidity and Capital Resources

Our sources of liquidity include, but are not limited to, cash from operations, proceeds from Senior Notes, our Senior Unsecured Revolving Credit Facility and other bank borrowings, the issuance of equity and equity-linked securities, and other external sources of funds. Our short-term and long-term liquidity depends primarily upon our level of net income, working capital management (cash, accounts receivable, accounts payable and other liabilities), and available credit facilities.

Net changes in cash, cash equivalents, and restricted cash are as follows for the periods presented:

	Six Months Ended March 31,	
in thousands	**2026**	2025
Net cash used in operating activities	**$ (228,792)**	$ (155,934)
Net cash used in investing activities	**(14,349)**	(9,401)
Net cash provided by financing activities	**144,971**	31,193
Net decrease in cash, cash equivalents, and restricted cash	**$ (98,170)**	$ (134,142)

Operating Activities

Net cash used in operating activities was $228.8 million for the six months ended March 31, 2026. The primary drivers of operating cash flows are typically cash earnings and changes in inventory levels, including land acquisition and development spending. Net cash used in operating activities during the period was primarily driven by an increase in inventory of $224.8 million resulting from land acquisition, land development and house construction spending and loss before income taxes of $49.6 million, which included $15.2 million of non-cash charges. This was partially offset by cash inflows from a net decrease in non-inventory working capital balances of $30.5 million.

Net cash used in operating activities was $155.9 million for the six months ended March 31, 2025. Net cash used in operating activities during the period was primarily driven by an increase in inventory of $191.0 million resulting from land acquisition, land development and house construction spending to support growth. This was partially offset by cash inflows from income before income taxes of $17.3 million, which included $12.7 million of non-cash charges, and a net decrease in non-inventory working capital balances of $5.1 million.

Investing Activities

Net cash used in investing activities was $14.3 million for the six months ended March 31, 2026, primarily driven by capital expenditures for model homes and information systems infrastructure and purchases of investment securities.

Net cash used in investing activities was $9.4 million for the six months ended March 31, 2025, primarily driven by capital expenditures for model homes and information systems infrastructure, partially offset by proceeds from maturities in investment securities.

Financing Activities

Net cash provided by financing activities was $145.0 million for the six months ended March 31, 2026, primarily driven by net borrowings from our Unsecured Facility, partially offset by common stock repurchases under our share repurchase program, tax payments for stock-based compensation awards vesting, and debt issuance costs incurred to increase the borrowing capacity and extend the term of our Unsecured Facility (refer to Note 6 to the condensed consolidated financial statements included in this Form 10-Q for further discussion).

Net cash provided by financing activities was $31.2 million for the six months ended March 31, 2025, primarily driven by net borrowings from our Unsecured Facility, partially offset by common stock repurchases under our share repurchase program and tax payments for stock-based compensation awards vesting.

Financial Position

As of March 31, 2026, our liquidity position consisted of $116.4 million in cash and cash equivalents and $284.7 million of remaining capacity under the Unsecured Facility, compared to $85.1 million in cash and cash equivalents and $292.6 million of remaining capacity under the Unsecured Facility as of March 31, 2025.

While we believe we possess sufficient liquidity, we are mindful of potential short-term or seasonal requirements for enhanced liquidity that may arise to operate and grow our business. As of the date of this report, we believe we have adequate capital resources and sufficient access to external financing sources to satisfy our current and long-term liquidity needs for funds to conduct our operations and meet other needs in the ordinary course of our business, however, we are continually reviewing our capital resources to determine whether we can meet our short- and long-term goals, and we may require additional capital to do so.

At times, we may also engage in capital markets, bank loans, project debt or other financial transactions, including the repurchase of debt or potential new issuances of debt or equity securities to support our business needs. The amounts involved in these transactions, if any, may be material. In addition, as necessary or desirable, we may adjust or amend the terms of and/or expand the capacity of the Unsecured Facility, or enter into additional letter of credit facilities, or other similar facility arrangements, in each case with the same or other financial institutions, or allow any such facilities to mature or expire.

Debt

We generally fulfill our short-term cash requirements with cash generated from our operations and available borrowings. Additionally, our Unsecured Facility provides working capital and letter of credit capacity of $525.0 million, which includes a letter of credit facility of up to $100.0 million. As of March 31, 2026, we had $195.0 million in borrowings and $45.3 million in letters of credit were outstanding under the Unsecured Facility, resulting in a remaining borrowing capacity of $284.7 million.

In the future, we may from time to time seek to continue to retire or purchase our outstanding debt through cash repurchases or in exchange for other debt securities, in open market purchases, privately negotiated transactions, or otherwise. In addition, any material variance from our projected operating results could require us to obtain additional equity or debt financing. There can be no assurance that we will be able to complete any of these transactions in the future on favorable terms or at all. See Note 6 of the notes to the condensed consolidated financial statements in this Form 10-Q for additional details related to our borrowings.

Supplemental Guarantor Information

As discussed in Note 6 of the notes to the condensed consolidated financial statements in this Form 10-Q, the Company's obligations to pay principal and interest under certain debt agreements are guaranteed on a joint and several basis by substantially all of the Company's subsidiaries. Some of the immaterial subsidiaries do not guarantee the Senior Notes. The guarantees are full and unconditional. Summarized financial information is not presented for Beazer Homes USA, Inc. and the guarantor subsidiaries on a combined basis as the assets, liabilities and results of operations of the combined issuer and guarantors of the guaranteed security are not materially different than corresponding amounts presented in the condensed consolidated financial statements of the parent company.

Credit Ratings

Our credit ratings are periodically reviewed by rating agencies. In March 2026, S&P reaffirmed the Company’s corporate credit rating of B, reaffirmed the Company's Senior Notes' rating of B, and revised the Company's outlook from stable to negative. Also in March 2026, Moody's revised the Company's issuer corporate family rating from B1 to B2, the Company's Senior Notes rating from B1 to a B2, and reaffirmed the Company's outlook of stable. These ratings and our current credit condition affect, among other things, our ability to access new capital. These ratings are not recommendations to buy, sell or hold debt securities. Negative changes to these ratings may result in more stringent covenants and higher interest rates under the terms of any new debt. Our credit ratings could be lowered, or rating agencies could issue adverse commentaries in the future, which could have a material adverse effect on our business, financial condition, results of operations, and liquidity. In particular, a weakening of our financial condition, including any further increase in our leverage or decrease in our profitability or cash flows, could adversely affect our ability to obtain necessary funds, could result in a credit rating downgrade or change in outlook, or could otherwise increase our cost of borrowing.

Share Repurchases and Dividends Paid

In April 2025, the Company's Board of Directors approved a share repurchase program that authorizes the Company to repurchase up to $100.0 million of its outstanding common stock. The repurchase program has no expiration date and repurchases may be conducted through open market purchases, 10b5-1 plans, accelerated share repurchases, or private transactions. The Company repurchased 1.2 million shares of its common stock for an aggregate $30.0 million (inclusive of commissions and exclusive of accrued excise tax) at an average price per share of $25.54 during the three months ended March 31, 2026. This brings the total repurchases for the six months ended March 31, 2026 to 1.9 million shares of common stock for $45.1 million at an average price per share of $24.12. During the three and six months ended March 31, 2025, 905 thousand shares were repurchased for $20.6 million at an average price per share of $22.73. All shares have been retired upon repurchase. As of March 31, 2026, the remaining availability of the share repurchase program was $42.3 million.

The indentures under which our Senior Notes were issued contain certain restrictive covenants, including limitations on the payment of dividends. There were no dividends paid during the three and six months ended March 31, 2026 or 2025.

Off-Balance Sheet Arrangements and Aggregate Contractual Commitments

Lot Option Agreements

In addition to purchasing land directly, we control a portion of our land supply through lot option agreements with land developers and land bankers, which generally require the payment of cash or issuance of an irrevocable letter of credit or surety bond for the right to acquire lots during a specified period of time at a specified price. In recent years, we have focused on increasing our lot option agreement usage to minimize risk as we grow our land position. As of March 31, 2026, we controlled 24,824 lots, which includes 251 lots of land held for future development and 954 lots of land held for sale. Of the 23,619 active lots, we controlled 14,145 of these lots, or 59.9%, through option agreements, as compared to 16,322 active lots controlled, or 59.3% of our total active lots, through option agreements as of March 31, 2025. Lot option agreements allow us to position for future growth while providing the flexibility to respond to market conditions by renegotiating the terms of the options prior to exercise or terminating the agreement.

Under option agreements, purchase of the properties is contingent upon satisfaction of certain requirements by us and the sellers, and our liability is generally limited to forfeiture of the non-refundable deposits, letters of credit or surety bonds, and other non-refundable amounts incurred, which totaled $373.4 million as of March 31, 2026. The total remaining purchase price, net of cash deposits, committed under all options was $1.64 billion as of March 31, 2026. Subject to market conditions and our liquidity, we may further expand our use of option agreements to supplement our inventory supply.

We expect to exercise, subject to market conditions and seller satisfaction of contract terms, most of our option agreements. Various factors, some of which are beyond our control, such as market conditions, weather conditions, and the timing of the completion of development activities, will have a significant impact on the timing of option exercises or whether lot options will be exercised at all.

We have historically funded the exercise of lot options with operating cash flows. We expect these sources to continue to be adequate to fund anticipated future option exercises. Therefore, we do not anticipate that the exercise of our lot options will have a material adverse effect on our liquidity.

Letters of Credit and Surety Bonds

In connection with the development of our communities, we are frequently required to provide performance, maintenance, and other bonds and letters of credit in support of our related obligations with respect to such developments. The amount of such obligations outstanding at any time varies in accordance with our pending development activities. In the event any such bonds or letters of credit are drawn upon, we would be obligated to reimburse the issuer of such bonds or letters of credit. We had outstanding letters of credit, surety bonds, and surety-backed letters of credit of $45.3 million, $364.3 million, and $4.6 million respectively, as of March 31, 2026, primarily related to our obligations to local governments to construct roads and other improvements in various developments.

Critical Accounting Estimates

Our critical accounting policies require the use of judgment in their application and in certain cases require estimates of inherently uncertain matters. Although our accounting policies are in compliance with accounting principles generally accepted in the United States of America (GAAP), a change in the facts and circumstances of the underlying transactions could significantly change the application of the accounting policies and the resulting financial statement impact. It is also possible that other professionals applying reasonable judgment to the same set of facts and circumstances could reach a different conclusion. As disclosed in our 2025 Annual Report, our most critical accounting policies relate to inventory valuation of projects in progress, warranty reserves, and income tax valuation allowances. There have been no significant changes to our critical accounting policies and estimates during the six months ended March 31, 2026 as compared to those described in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations included in our 2025 Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to a number of market risks in the ordinary course of business. Our primary market risk exposure relates to fluctuations in interest rates. We do not believe that our exposure in this area is material to our cash flows or results of operations. As of March 31, 2026, we had variable rate debt outstanding related to our Junior Subordinated Notes and outstanding borrowings under our Unsecured Facility totaling approximately $274.5 million. A one percent increase in the interest rate for these notes would result in an increase of our interest expense by approximately $3.0 million over the next twelve-month period. The estimated fair value of our fixed-rate debt as of March 31, 2026 was $951.9 million, compared to a carrying amount of $951.5 million. The effect of a hypothetical one-percentage point decrease in our estimated discount rates would increase the estimated fair value of the fixed rate debt instruments from $951.9 million to $978.3 million as of March 31, 2026.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As of the end of the period covered by this report, an evaluation was performed based on criteria established in the *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) under the supervision and with the participation of the Company’s management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the Company’s disclosure controls and procedures as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the Act). Based on that evaluation, the CEO and CFO concluded that the Company’s disclosure controls and procedures were effective as of March 31, 2026 at a reasonable assurance level.

Attached as exhibits to this Form 10-Q are certifications of our CEO and CFO, which are required by Rule 13a-14 of the Act. This Disclosure Controls and Procedures section includes information concerning management's evaluation of disclosure controls and procedures referred to in those certifications and should be read in conjunction with the certifications of the CEO and CFO.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For a discussion of our legal proceedings, see Note 8 of the notes to our condensed consolidated financial statements in this Form 10-Q.

Item 1A. Risk Factors

There have been no material changes to the risk factors we previously disclosed in our Annual Report on Form 10-K for the year ended September 30, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table summarizes the Company's common stock repurchases during the quarter ended March 31, 2026:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program [(a)]
January 1 - January 31, 2026	—	$ —	—	$ 72,332,062
February 1 - February 28, 2026	1,175,773	25.54	30,023,509	42,308,554
March 1 - March 31, 2026	—	—	—	42,308,554
Total	1,175,773	$ 25.54	30,023,509	$ 42,308,554

[(a)] In April 2025, the Company's Board of Directors approved a share repurchase program that authorizes the Company to repurchase up to $100.0 million of its outstanding common stock. The repurchase program has no expiration date and repurchases may be conducted through open market purchases, 10b5-1 plans, accelerated share repurchases, or private transactions. As of March 31, 2026, the remaining availability of the share repurchase program was $42.3 million.

Item 5. Other Information

Rule 10b5-1 Trading Plans

During the fiscal quarter ended March 31, 2026, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 6. Exhibits

3.1	Certificate of Amendment, dated February 5, 2026, to the Amended and Restated Certificate of Incorporation of Beazer Homes USA, Inc. (incorporated herein by reference to Exhibit 3.1 of the Company's Form 8-K filed on February 5, 2026)
10.1	Third Amendment, dated as of March 13, 2026, to the Credit Agreement, dated as of October 13, 2022, among the Company, the several lenders from time to time parties thereto and JPMorgan Chase Bank, N.A., as an issuing lender and administrative agent (incorporated herein by reference to Exhibit 10.1 of the Company's Form 8-K filed on March 17, 2026)
22.1	List of Guarantor Subsidiaries (incorporated herein by reference to Exhibit 22.1 of the Company's Form 10-Q filed on May 1, 2024)
31.1	Certification of Chief Executive Officer pursuant to 17 CFR 240.13a-14 promulgated under Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to 17 CFR 240.13a-14 promulgated under Section 302 of the Sarbanes-Oxley Act of 2002
32.1#	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2#	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The condensed consolidated financial statements and accompanying notes in Part I, Financial Information on Form 10-Q are formatted in Inline XBRL
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

Furnished, not filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date:	April 30, 2026	Beazer Homes USA, Inc.	
		By:	/s/ David I. Goldberg
		Name:	**David I. Goldberg**
			Senior Vice President and Chief Financial Officer

Exhibit 31.1

CERTIFICATION
PURSUANT TO 17 CFR 240.13a-14
PROMULGATED UNDER
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Allan P. Merrill, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Beazer Homes USA, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: April 30, 2026

/s/ Allan P. Merrill

Allan P. Merrill
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION
PURSUANT TO 17 CFR 240.13a-14
PROMULGATED UNDER
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David I. Goldberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Beazer Homes USA, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2026

/s/ David I. Goldberg
David I. Goldberg
Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned Chief Executive Officer of Beazer Homes USA, Inc. (the “Company”) hereby certifies that the Report on Form 10-Q of the Company for the period ended March 31, 2026, accompanying this certification, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

/s/ Allan P. Merrill
Allan P. Merrill
President and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and Section 1350 of Title 18, United States Code, and is not being filed as part of the report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned Chief Financial Officer of Beazer Homes USA, Inc. (the “Company”) hereby certifies that the Report on Form 10-Q of the Company for the period ended March 31, 2026, accompanying this certification, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

/s/ David I. Goldberg
David I. Goldberg
Senior Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and Section 1350 of Title 18, United States Code, and is not being filed as part of the report or as a separate disclosure document.