

Homebuilders

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After a lull in the market following stay-at-home orders first issued a year ago, the market quickly rebounded and by all indications has remained hot in the new year.

Emile Haddad, chief executive of **Five-Point Holdings LLC** (NYSE: FPH), has seen stronger home sales in 2021 over 2020, which he attributes in part to the close of the election year.

“Many appeared to be on the fence, and are now taking action,” Haddad said. “I don’t see any slowdown in sight.”

Flight from Downtown

Orange County emerged as an in-demand location for home shoppers looking to relocate from denser metro areas, offsetting a flight to more affordable markets for some cost-conscious locals, industry officials said.

Low interest rates helped generate interest as well.

Builders clearly gravitated toward more affordable offerings in the area, as sales of new attached condos and townhomes saw a 26% increase in sales last year, to 1,540. Stand-alone home sales fell 18%, to 1,886.

A lack of new home inventory is compounding buyer interest, and impacting the prices they’re willing to pay, market watchers say.

“There are not enough homes on the market to keep up with today’s intense buyer demand,” notes **The Orange County Housing Report** compiled by local economist **Steven Thomas**.

“In looking closely at the housing economic model of supply, demand, mortgage rates, affordability, buyer demographics and



Orchard Hills offering from Irvine Pacific

market velocity, the data illustrates that the current trajectory of the housing market is not going to change anytime soon.”

Top Sellers

Lennar Corp., whose West Coast base is in Irvine, took the top spot again for sales last year despite an 18% decline, with 698 sales.

Sales continue for the company at numerous area projects, from Lake Forest to Anaheim’s Platinum Triangle. It’s also an investor and frequent builder in the Great Park Neighborhoods.

No. 2 was **Taylor Morrison**, with 361 sales last year. The Scottsdale, Ariz.-based firm’s nearly 80% boost came on the back of 2020’s acquisition of Newport Beach’s **William Lyon Homes**.

Irvine Pacific, the in-house homebuilding arm of **Irvine Co.**, was No. 3 with 318 sales, up more than 20% year-over-year.

While home sales on The Irvine Ranch were down slightly last year, Irvine Co. has been using Irvine Pacific for more of the housing projects it continues to sell at.

Likewise, No. 6 **California Pacific Homes**, which also only builds on The Irvine Ranch, saw a 50% boost in sales last year. CalPac is run by **Cary Bren**, the son of Irvine Co. chairman **Donald Bren**.

Pricing Up

Homebuilders were able to hike up pricing last year as a result of burgeoning demand.

Irvine-based **New Home Co.** (NYSE: NWHM), No. 12 on the list, opened its Sterling neighborhood at **Rancho Mission Viejo** last year with prices starting around \$850,000.

Average prices there are now closer to \$1.1 million as a result of strong buyer interest, according to Southern California President **AJ Jarvis**.

“The buying power is really significant right now,” Jarvis said.

Officials with **Trumark Homes** in Newport Beach said they have also enjoyed higher-than-expected pricing at its Orange County portfolio, which includes an 82-unit housing project along Central Avenue in Brea that’s about 50% sold.

Trumark, the locally based homebuilding

unit of Danville-based real estate firm **Trumark Cos.**, last year said **Daiwa House USA** would take a 60% stake in the company, which sold 137 homes in Orange County last year, good for the No. 10 spot.

The new investment from Daiwa, an affiliate of Japan-based **Daiwa House Industry Co.**, has set up Trumark for future growth, with expectations to sell nearly 300 units next year and 500 the year after that.

“The deal revamped our capital structure and made us much more aggressive on the land buying side,” said **Richard Douglass**, Trumark’s Southern California division president. It recently closed on one land deal locally, paying \$6.5 million for 12.6 acres of land in Mission Viejo with plans to build 91 homes.

Irvine-based **Stream Realty Partners** brokered the deal on behalf of the seller, Saddleback Valley Community Church, which traded the land for about \$516,000 per acre or \$71,429 per home site. The site is on the corner of El Toro Road and Marguerite Parkway next to an office building owned by the church.

Trumark has noticed even stronger buyer demand in 2021, selling an average of two to three homes per week in Brea.

“It’s been on fire,” Douglass said.

Prices are expected to continue to rise in 2021, with **John Burns Real Estate Consulting** projecting a nearly 10% jump in new home prices nationally.

New Home Co. Executive Chairman **Larry Webb** believes pricing will continue to increase locally, though deliveries will be threatened by a lack of land supply.

“Demand is very strong and pricing is likely to continue to increase, but there isn’t enough land in place to see a big jump in deliveries,” Webb said. “The good news in that is there won’t be a problem with overbuilding.” ■



THE LIST HOMEBUILDERS

▶ NEXT WEEK'S LIST 2020 Top Home Sales

RANKED BY NUMBER OF OC HOMES SOLD

Rank	Company	Company logo	OC homes sold in 2020 (attached and detached)	OC attached homes sold	OC detached homes sold	OC employees	Parent company	Top local official(s)
Prev. Rank	Address		yearly % change	yearly % change	yearly % change	yearly % change	Headquarters	Title Phone/fax
1	Lennar Corp. 15131 Alton Parkway Irvine 92618-2385 Website: lennar.com		698 -18%	361 38%	337 -43%	200 ⁽¹⁾ NA	Lennar Corp. Miami	Jon Jaffe co-CEO/co-president (949) 349-8000
2	Taylor Morrison ⁽²⁾ 4695 MacArthur Court, eighth floor Newport Beach 92660-1863 Website: taylormorrison.com		361 84%	322 175%	39 -51%	160 0%	Taylor Morrison Home Corp. ⁽²⁾ Scottsdale, Ariz.	Jon Robertson division president (949) 341-1200
3	Irvine Pacific LP 550 Newport Center Drive Newport Beach 92660-7011 Website: irvinepacific.com Email: info@irvinepacific.com		318 22%	0 NA	318 22%	70 ⁽¹⁾ NA	Irvine Company Newport Beach	Dan Hedigan president, Irvine Pacific/division president, Irvine Company Land Sales and Homebuilding (949) 720-5921
4	Tri Pointe Homes Inc. 19540 Jamboree Road, Ste. 300 Irvine 92612-8452 Website: tripointehomes.com Email: info@tripointehomes.com		229 72%	131 228%	98 5%	183 -8%	Tri Pointe Homes Inc. Irvine	Doug Bauer CEO (949) 438-1400
5	Toll Brothers Inc. 725 W. Town & Country Road, Ste. 200 Orange 92868-4723 Website: tollbrothers.com		205 -33%	0 NA	205 -33%	142 -48%	Toll Brothers Inc. Horsham, Pa.	Jim Boyd/Seth Ring COO/regional president (714) 347-1300
6	California Pacific Homes Inc. 16530 Bake Parkway, Ste. 200 Irvine 92618-4685 Website: calpacifichomes.com		204 50%	120 54%	84 45%	50 ⁽¹⁾ NA	California Pacific Homes Inc. Irvine	Cary Bren CEO (949) 833-6000

Sources: Zonda in Costa Mesa and the homebuilders

Abbreviations: NA: not applicable; wnd: would not disclose

Notes: OC units sold is determined by 2020 escrows closed, not contractual sales. To the best of our knowledge, this information is accurate as of press time. While every effort is made to ensure the accuracy and thoroughness of the list, omissions and typographical errors sometimes occur. Unless otherwise noted, the information on this list was provided by the companies themselves. List may not be reprinted without permission of the editor. Photos show first top official listed.

⁽¹⁾ Business Journal estimate

⁽²⁾ Scottsdale, Ariz.-based Taylor Morrison Home Corp. acquired Newport Beach-based William Lyon Homes, effective Feb. 6, 2020

Researched by Meghan Kliewer

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Prev. Rank	•Address		•yearly % change	•yearly % change	•yearly % change	•yearly % change	•Headquarters	•Title	•Phone/fax
7 (14)	Brookfield Residential Southern California 3200 Park Center Drive, Ste. 1000 Costa Mesa 92626-7228 Website: brookfieldresidential.com Email: info@brookfieldrp.com		194 80%	3 -92%	191 169%	190 -5%	Brookfield Asset Management Calgary, Canada	Nicole Burdette president, Southern California division (714) 427-6868	
8 (3)	Shea Homes 2 Ada, Ste. 200 Irvine 92618-5325 Website: sheahomes.com Email: andy.parnes@sheahomes.com		175 -41%	1 -98%	174 -28%	83 -11%	J.F. Shea Co. Walnut	Bert Selva CEO/president (949) 526-8800	
9 (9)	KB Home 10990 Wilshire Blvd., seventh floor Los Angeles 90024-3907 Website: kbhome.com Email: customerrelations@kbhome.com		145 -1%	28 -32%	117 10%	0 NA	KB Home Los Angeles	Jeffrey Mezger chairman/CEO/president (310) 231-4000/(310) 231-4222	
10 (17)	Trumark Homes 450 Newport Center Drive, Ste. 300 Newport Beach 92660-7657 Website: trumarkhomes.com Email: rbuttgartieg@trumarkco.com		137 57%	97 17%	40 900%	41 -9%	Trumark Homes San Ramon	Richard Douglass division president, Southern California (949) 999-9800	
11 (12)	Landsea Homes 660 Newport Center Drive, Ste. 300 Newport Beach 92660-6499 Website: landseahomes.com Email: info@landsea.us		133 -1%	76 41%	57 -30%	100 ⁽¹⁾ NA	Landsea Holdings Corp. Newport Beach	John Ho CEO (949) 345-8080	
12 (10)	The New Home Co. 15231 Laguna Canyon Road, Ste. 250 Irvine 92618-7714 Website: nwhm.com Email: press@nwhm.com		106 -25%	52 -26%	54 -25%	81 -24%	The New Home Co. Irvine	Leonard Miller/H. Lawrence Webb/ John Stephens CEO, president/executive chairman/ CFO, executive VP (949) 382-7800/(949) 382-7801	
13 (8)	Pulte Homes Inc. ⁽³⁾ 27401 Los Altos, Ste. 400 Mission Viejo 92691-8550 Website: pulte.com		91 -35%	13 NA	78 -45%	124 7%	PulteGroup Inc. Atlanta	Chris Edgar PulteGroup Southern California division president (949) 330-8600/(949) 330-8601	
14 (13)	Meritage Homes Corp. 5 Peters Canyon Road, Ste. 310 Irvine 92606-1788 Website: meritagehomes.com Email: elliot.mann@meritagehomes.com		68 -47%	68 -41%	0 NA	60 -6%	Meritage Homes Corp. Scottsdale, Ariz.	Elliot Mann area president (949) 299-3838	
15 (15)	Intracorp Homes 895 Dove St., Ste. 400 Newport Beach 92660-8921 Website: intracorphomes.com Email: newportbeach@intracorphomes.com		65 -33%	65 -6%	0 NA	20 -17%	Intracorp Homes Vancouver	Brad Perozzi division president (949) 955-2370	
16 (NR)	Bonanni Development 5500 Bolsa Ave., Ste. 120 Huntington Beach 92649-1188 Website: bonannidevelopment.com Email: ed@bonannidevelopment.com		60 329%	60 757%	0 NA	9 0%	Bonanni Development Huntington Beach	Ed Bonanni CEO/president (714) 892-0123/(714) 892-0122	
17 (19)	Melia Homes Inc. 8951 Research Drive, Ste. 100 Irvine 92618-4237 Website: meliahomes.com Email: info@melia-homes.com		59 -57%	59 -39%	0 NA	31 7%	Melia Homes Inc. Irvine	BJ Delzer president (949) 759-4367	
18 (18)	Richmond American Homes 5171 California Ave., Ste. 110 Irvine 92617-3036 Website: richmondamerican.com Email: james.furey@mdch.com		56 -23%	28 NA	28 -62%	50 ⁽¹⁾ NA	M.D.C. Holdings Inc. Denver	James Furey president, Southern California division (949) 734-4282	
19 (16)	Olson Co. 3010 Old Ranch Parkway, Ste. 100 Seal Beach 90740-2751 Website: olsonhomes.com Email: vbaena@theolsonco.com		53 -41%	53 -41%	0 NA	70 -8%	Olson Co. Seal Beach	Stephen Olson/Scott Laurie founder, executive chairman/CEO (562) 596-4770/(562) 430-4742	
20 (NR)	Baldwin & Sons 20 Corporate Plaza Drive Newport Beach 92660-7901 Website: baldwinsons.com Email: jnunes@baldwinsons.com		33 -66%	0 NA	33 -33%	120 ⁽¹⁾ NA	Baldwin & Sons Newport Beach	Al Baldwin founder/CEO (949) 640-8300	
20 (NR)	Century Communities 4695 MacArthur Court, Ste. 350 Newport Beach 92660-8816 Website: centurycommunities.com		33 725%	33 725%	0 NA	20 ⁽¹⁾ NA	Century Communities Greenwood Village, Colo.	Dale Franceson/Robert Franceson chairman, co-CEO/co-CEO, president (909) 667-0142	

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⁽¹⁾ Business Journal estimate
⁽³⁾ Units sold includes Pulte Homes, Del Webb and Centex

Researched by Meghan Kliever