

2025 NATIONAL BUILDER OF THE YEAR



**Investor Presentation May 2025** 

## FORWARD-LOOKING STATEMENTS

This investor presentation includes forward-looking statements regarding future events which include, but are not limited to, projected 2025 home closings and market conditions, possible or assumed future results of operations, benefits of recent acquisitions and statements regarding the Company's strategies and expectations as they relate to market opportunities and growth. All forward-looking statements are based on Dream Finders Homes' beliefs as well as assumptions made by and information currently available to Dream Finders Homes. These statements reflect Dream Finders Homes' current views with respect to future events and are subject to various risks, uncertainties and assumptions. These risks, uncertainties and assumptions are discussed in Dream Finders Homes' Annual Report on Form 10-K for the year ended December 31, 2024 and other filings with the U.S. Securities and Exchange Commission. Dream Finders Homes undertakes no obligation to update or revise any forward-looking statement, except as may be required by applicable law.



## DREAM FINDERS HOMES

#### The power of a national homebuilder focused on serving buyers, one home at a time.

Since our founding in 2008, Dream Finders Homes has vowed to deliver the highest possible standards in new homes. We are committed to providing exceptional customer service while delivering a beautifully innovative home for you and your family at the best value possible. As of March 31, 2025, we have 2581 unique active communities across 10 states. We have closed over 40,000 homes since inception and we look forward to sharing The Dream Finders Difference with you.

#### UNSURPASSED QUALITY. UNCOMPROMISING VALUE. EXTRAORDINARY LEVEL OF PERSONALIZATION.





## DFH BY THE NUMBERS

	1Q25	FY24	FY23
Total Revenues	\$0.99B	\$4.45B	\$3.75B
Home Closings	1,925	8,583	7,314
ASP (Homes closed)	\$498,284	\$509,249	\$505,764
Controlled Lot Pipeline	60,538 <sup>1</sup>	54,698²	29,748³
TTM Return on Participating Equity	28.5% <sup>1</sup>	<b>29.7</b> %²	36.3%³
Backlog of Sold Homes	2,8021	2,599²	3,978 <sup>3</sup>

Dream Finders Homes (NYSE: DFH) is a homebuilder based in Jacksonville, FL. Dream Finders Homes builds single-family homes throughout the Southeast, Mid-Atlantic and Midwest, including Florida, Texas, Tennessee, North Carolina, South Carolina, Georgia, Colorado, Arizona and the Washington, D.C. metropolitan area, which comprises Northern Virginia and Maryland. Through its financial services business lines, DFH also provides mortgage financing and title services to homebuyers. Dream Finders Homes achieves its industry-leading growth and returns by maintaining an asset-light homebuilding model.

**Listed on the NYSE ("DFH")** 



- 1. As of March 31, 2025
- 2. As of December 31, 2024
- 3. As of December 31, 2023



## 2025 OUTLOOK

Dream Finders Homes expects approximately 9,250 home closings for the full year 2025.

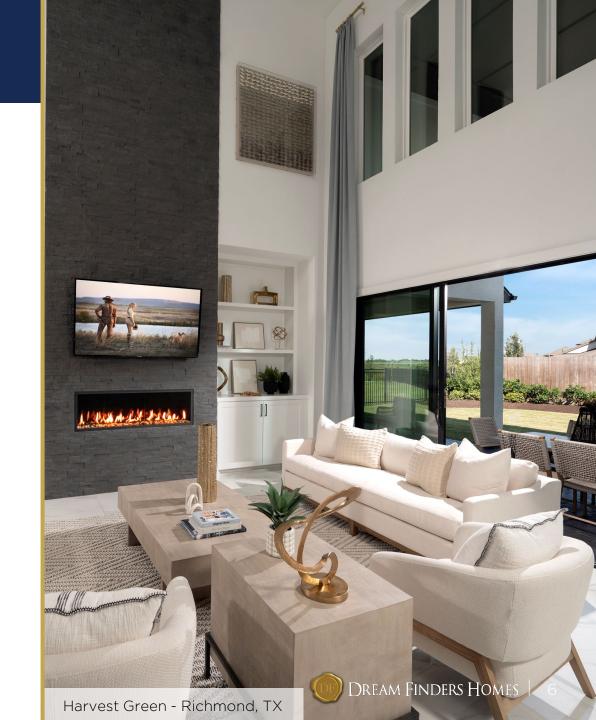
As of March 31, 2025, the Company backlog was 2,802 homes, valued at \$1.4 billion.



This statement reflect Dream Finders Homes' current views with respect to future events and are subject to various risks, uncertainties and assumptions. These risks, uncertainties and assumptions are discussed in Dream Finders Homes' Annual Report on Form 10-K for the year ended December 31, 2024 and other filings with the U.S. Securities and Exchange Commission. Dream Finders Homes undertakes no obligation to update or revise any forward-looking statement, except as may be required by applicable law.

## INVESTMENT HIGHLIGHTS

- A unique land-light and capital-efficient operating platform
- 2 Attractive gross margins
- Invested in high-growth markets with low cost of living and solid interstate migration
- 4 In-demand entry-level and move-up products
- Demonstrated ability to grow through organic expansion and strategic acquisitions
- 6 Historical growth track record sets the foundation for go-forward targeted growth
- Diverse capital sources enable the Company to be opportunistic during periods of market volatility



## LAND-LIGHT DIFFERENTIATOR

The basics of DFH's trademark land-light business model

Purchase lots as close to the start of a home as possible

A nimbler approach, adjusting quickly before potential market corrections

Eliminating the potential that DFH will be burdened with mispriced land

**Capital-Efficient** 



Ties up control of sizable lot positions with minimal capital

**Critical Driver to High Return on Equity** 

**De-Risks Balance Sheet** 

**Drives High Asset Turnover** 

**Enhances Shareholders' Returns** 

## LAND-LIGHT: OPERATING PLATFORM RELATIONSHIPS

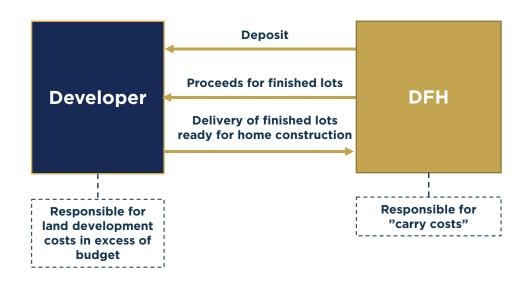
#### **Traditional Third-Party Lot Purchase Contracts and Land Bank Option Contracts**

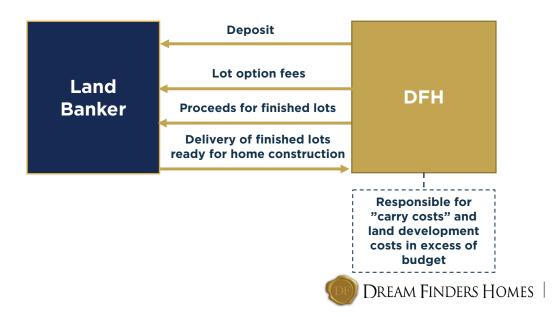
#### **Traditional Third-Party Lot Developer Purchase Contract**

- Lots are controlled through non-refundable purchase contracts with thirdparty developers
- Local land development companies produce finished lots (finished pad-ready, utilities stubbed, roads paved) for sale to homebuilders
- DFH places deposits on lots up to 18 months ahead of delivery dates on rolling takedowns, which correspond to the anticipated sales pace of communities
- DFH places deposits on lots (under contract) to secure purchase agreements

#### **Third-Party Land Bank Option Contract**

- Lots are controlled through land banking arrangements
- Land bank partners acquire bulk finished lots or entitled land on DFH's behalf
- Land bank partners also fund project costs (if required) while DFH manages the overall land development
- Finished lots are then sold by the land banker to DFH on a rolling takedown basis, which correspond to the anticipated sales pace of communities
- DFH pays option fees and carry costs on land optioned from the land banker





## RESULTS OF LAND-LIGHT MODEL First Quarter 2025

Industry Leading Return on Participating Equity

Uniquely Land-Light & Finished lots are acquired through option contracts

High-Growth Markets with Low Cost of Living

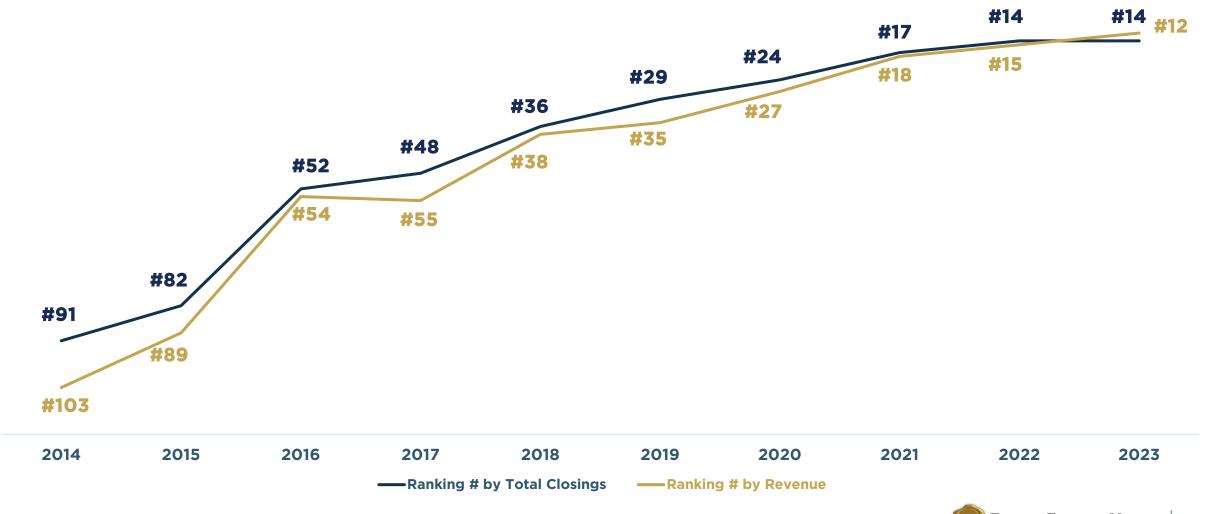
77% of all U.S. migration is into states in which DFH operates

+47% CAGR in closings since inception with a robust backlog valued at \$2.0B



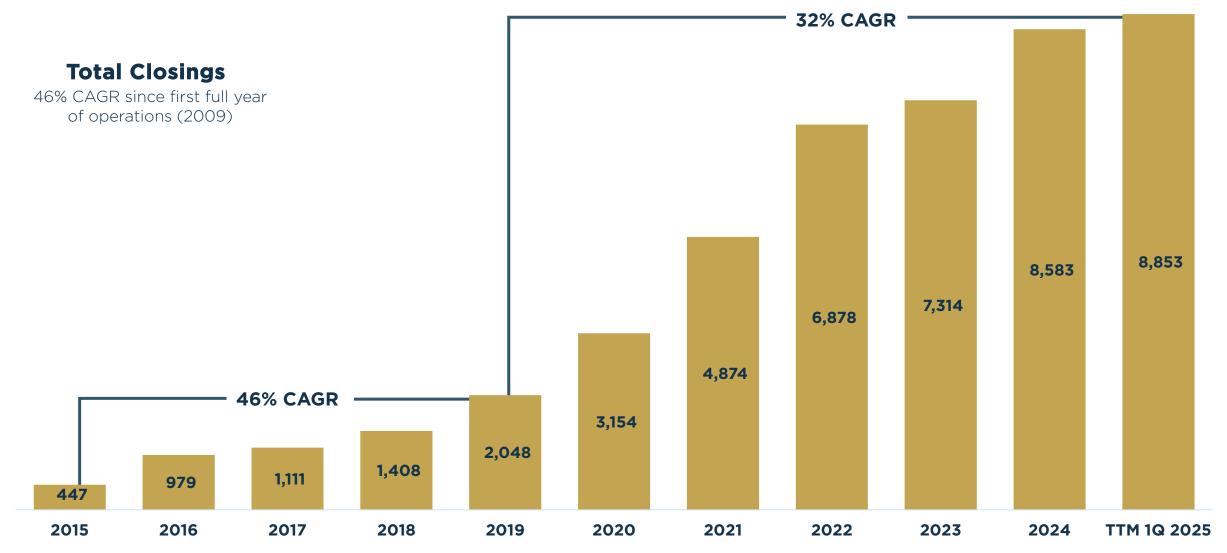
## US BUILDER RANKINGS

Home closings have supported the Company's ascension in the rankings



## HOMEBUILDER WITH RUNWAY FOR CONTINUED GROWTH

Sustained growth in the number of home closings since 2009



## IMPRESSIVE TRACK RECORD OF REVENUE GROWTH

### **Balanced Growth Through Organic Expansion And Strategic Homebuilder Acquisitions**



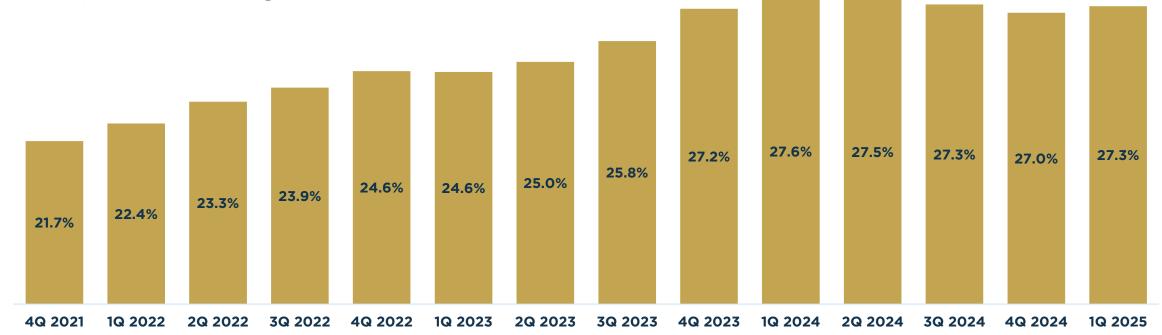
<sup>1.</sup> Figures represent combined actual results of DFH and the acquired companies (post-acquisition) for the respective years. Combined actual results are not pro forma results and do not necessarily reflect the results that DFH would have achieved if the acquisitions had occurred at the beginning of the respective years.

Liberty

## IMPROVEMENT IN ADJUSTED GROSS MARGIN

560bps improvement in trailing 12-months (TTM) Adjusted Gross Margins since 4Q 2021

#### TTM Adjusted Gross Margins<sup>1</sup>



#### Margin Expansion Opportunities<sup>2</sup>

- Improved homebuilding cycle times
- Accelerated execution through liquidity from new funding sources
- Additional vendor rebates and cost efficiencies with increased unit count and economies of scale
- Operations acquired through strategic acquisitions provide opportunities for further margin expansion

#### **Current Challenges**

- Customer affordability and macroeconomic factors
- Increased costs associated with lot acquisition
- Rapid increase in financing costs over the past year
- Purchasing accounting impacts from the valuation of inventory acquired through acquisitions

<sup>&</sup>lt;sup>1</sup>Adjusted gross margin is a non-GAAP financial measure. For a definition of this non-GAAP financial measures and a reconciliation to our most directly comparable financial measure calculated and presented in accordance with GAAP, see

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## CASE STUDY: NET MARGINS OF LAND-LIGHT BUILDERS

Margins of a similar land-light homebuilder (NVR, Inc.) versus homebuilding peers over the last 15 years

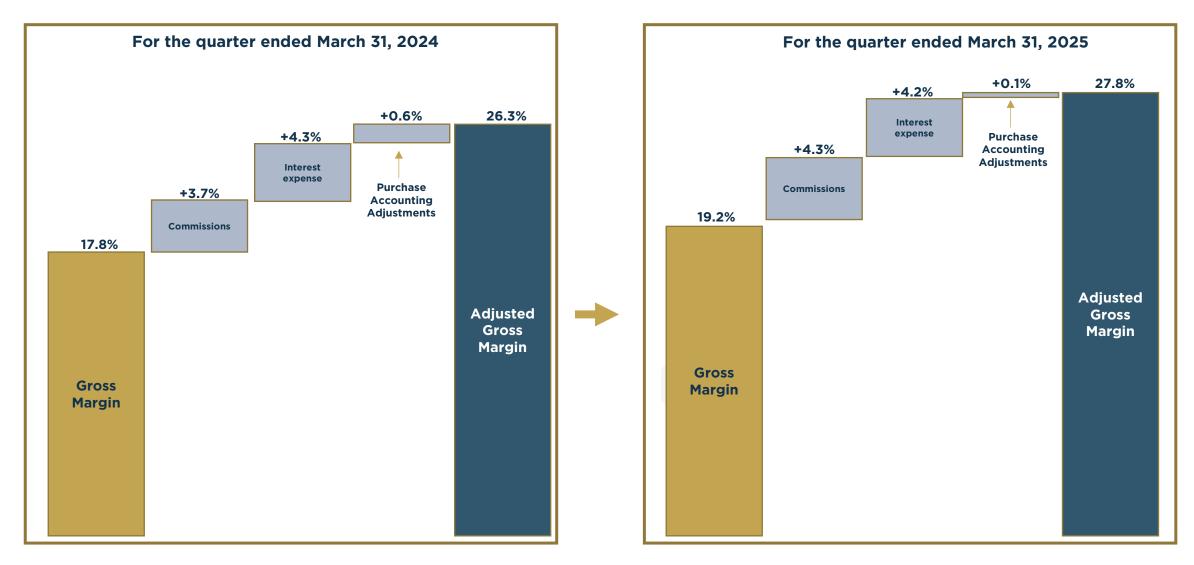


- Similar to DFH, NVR utilizes a 100% land-light structure. NVR maintained profitability throughout every year of the global financial crisis<sup>2</sup>.
- DFH has continued to strengthen its Balance Sheet while mitigating the impacts of related market risks (refer to slide 18).

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## COMPOSITION OF GROSS MARGIN

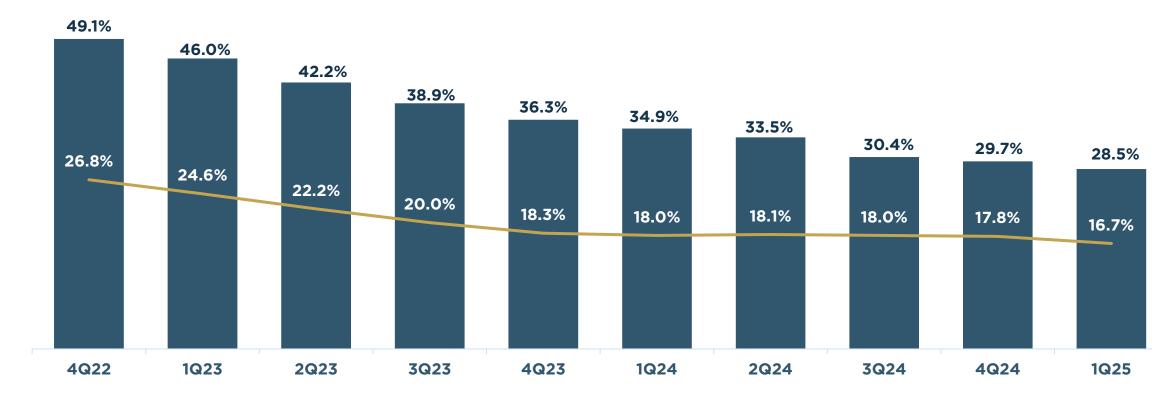
Dream Finders Homes includes commission expense in its gross margin calculations unlike most of its peers



## INDUSTRY LEADING RETURN ON PARTICIPATING EQUITY

#### **Consistently Outperforming the Industry Average**

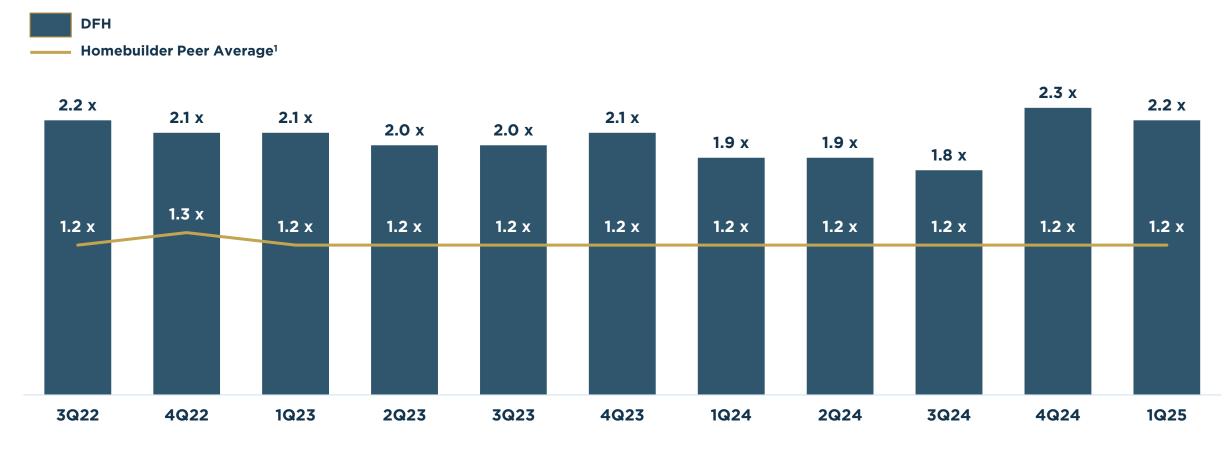




#### Company geared towards driving industry-leading returns

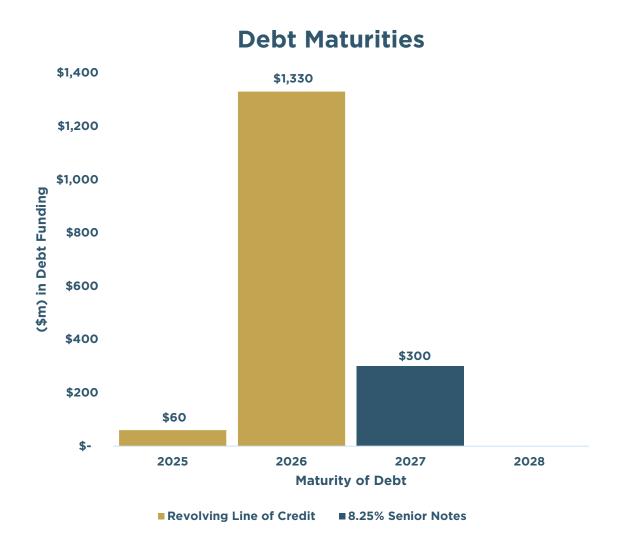
Compounded growth of greater than 40% since 2009

## INDUSTRY LEADING INVENTORY TURNOVER (LTM AS OF EACH PERIOD END)



Land-light model maximizes cash generation and de-risks the Balance Sheet

## CAPITAL STRUCTURE



March 31, 2025: \$1,690 of Combined Committed Borrowing Availability

## **Homebuilding Net Debt to Homebuilding Net Capitalization**

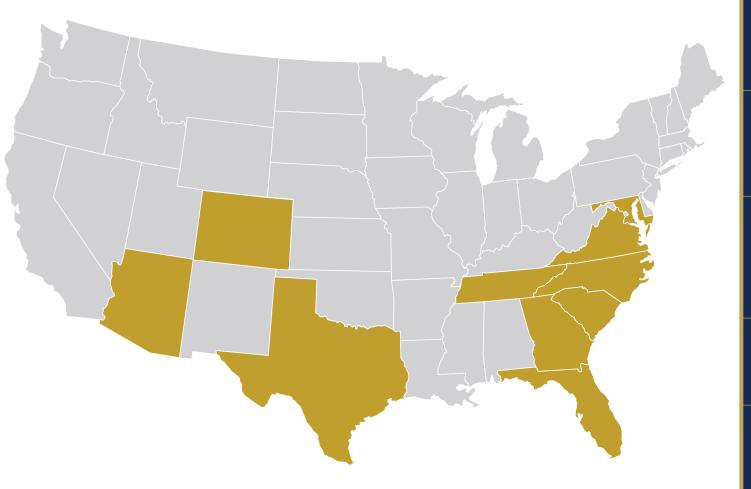


## IN DEMAND ENTRY-LEVEL AND MOVE-UP PRODUCTS

Committed to delivering the highest standard in new home construction by offering superior building products, personalization, one-on-one customer service and the best value at any price point



## CONTINUED EXPANSION INTO HIGH-GROWTH, LOW-COST **MARKETS**



Source: U.S. Census Bureau, BLS and MetroSearch.

## **Comparison of DFH Markets to National Averages**

	DFH Markets (Only includes DFH MSA's)	U.S. <sup>1</sup>
Average Annual Population Growth 2019 - 2024 <sup>2</sup>	1.7%	0.4%
Average Annual Home Price Appreciation 2019 - 2024	11.1%	9.3%
Average Annual Job Growth 2019 - 2024	2.1%	1.1%
Avg. Top State Income Tax Rate <sup>3</sup>	3.5%	5.2%



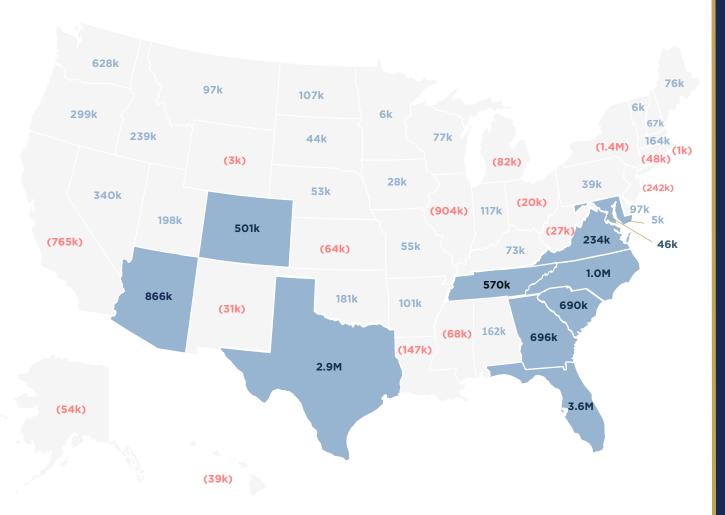
Figures for United States exclude those outside of metropolitan statistical area.

Claritas based primarily on US Census data. 5 year average (2018-2023).

Reflects average for DFH markets and U.S., respectively. Top state income tax rate for SC: 6.4%, MD: 5.8%, VA: 5.8%, GA: 5.5%, NC: 4.5%, CO: 4.4%, AZ: 2.5 and 0.0% for TX. TN and FL.

## INVESTED IN MARKETS WITH STRONG MIGRATION

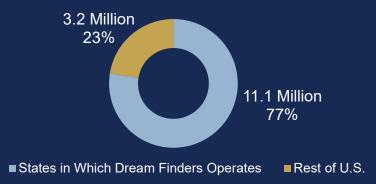
**Total Population Migration Across the U.S. (2010-2023)** 



#### **Dream Finders Migration Capture Rate**

77% of total U.S. migration is into states where DFH operates

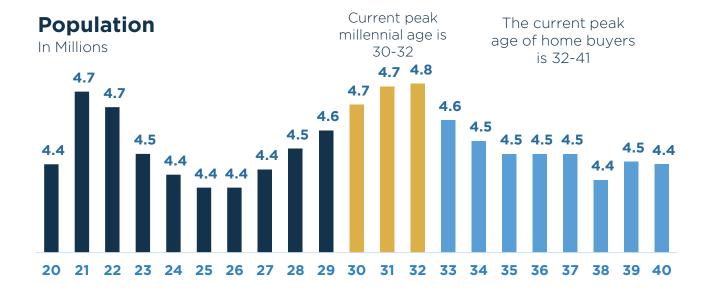
#### **Total migration for states with** total positive migration (2010-2023)



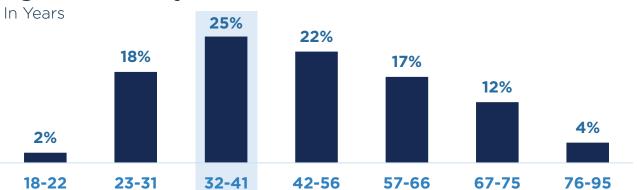
#### **Migration Drivers into South & Mountain Markets**

Low Cost of Living Limited State Income Taxes Desirable Weather Strong Job Growth

# STRONG FORMATION AS MILLENNIALS ENTER BUYING YEARS



### **Age of Homebuyers**





## RESPONDING TO CHANGES IN MARKET FUNDAMENTALS

Remaining agile while optimizing our delivery to our customers



- Diversified partnerships with local and national supply networks
- Investment into internal supply management solutions
- Enhanced focus on our extended supply forecasting
- Daily engagement with key trades and suppliers



- > During periods of sustained mortgage rate volatility, we are able to educate our consumers of potential impacts through our subsidiary Jet HomeLoans LLC.
- As inflation impacts cost of sales, we closely monitor our product offerings at the community level to ensure pricing remains competitive and our margins are preserved.

#### **Striving for Our Core Principles regardless of the** market conditions

#### Maximize returns with our land-light strategy

Remaining conservative and de-risking our Balance Sheet through lot purchases just-intime for home construction. This allows our Company to be nimble in changing market conditions and optimizes return on participating equity with just-in-time lot purchases.

#### **Empower employees and instill** ownership culture

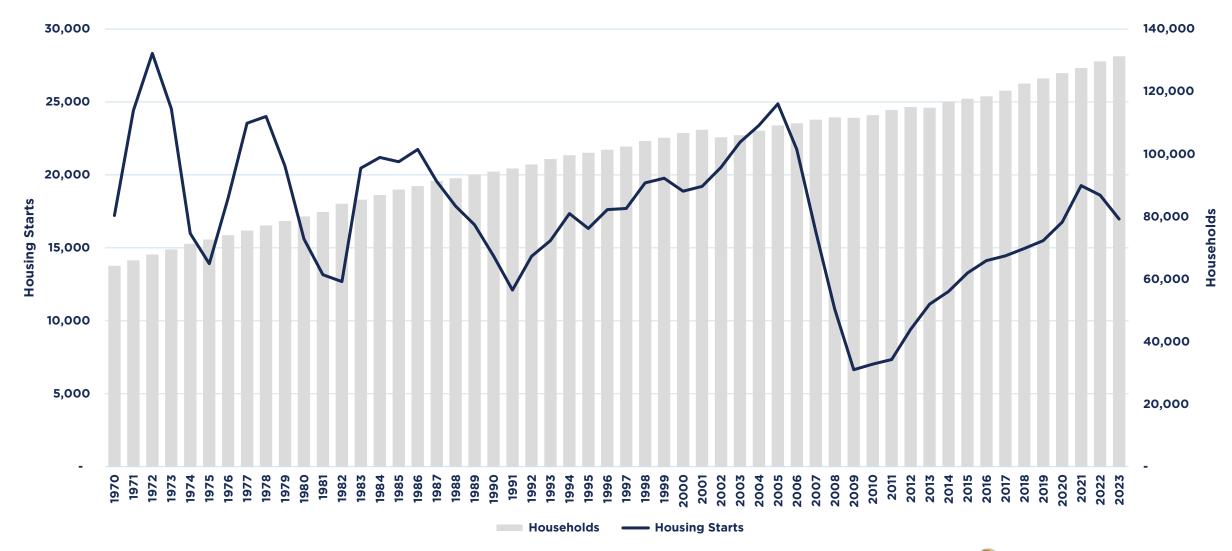
Bottom-up approach allows our staff to take accountability of providing the best service in the communities in which they serve. This provides our Company with agile decision making in response to changes in our markets.

#### **Built to ensure exceptional** customer satisfaction

Continuous advancement in the design of our products as we strive to eliminate deficiencies and reduce warranty claims.

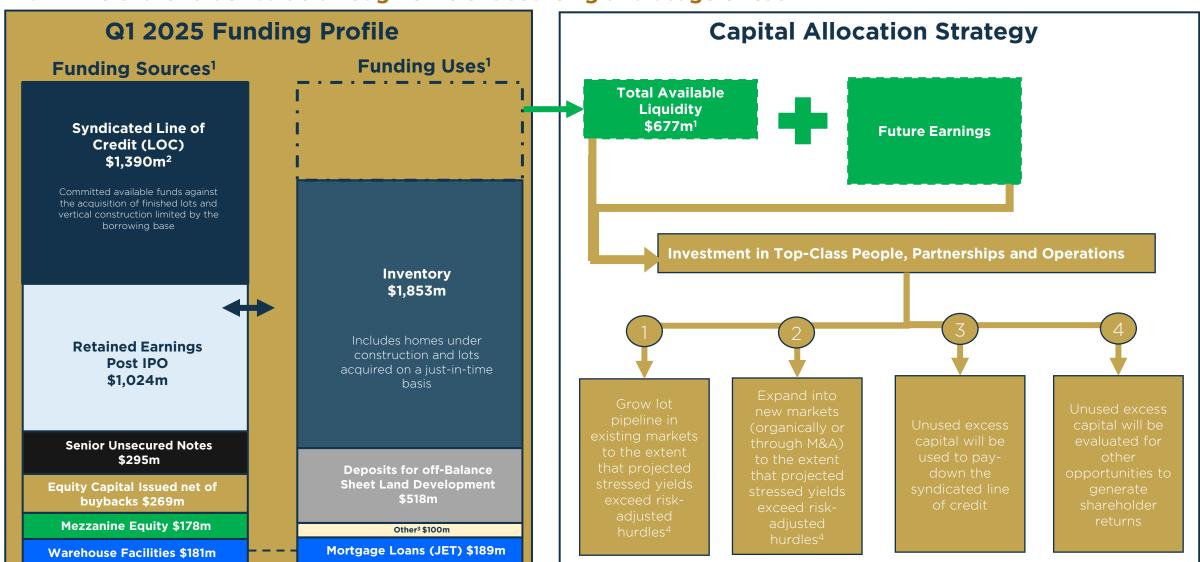
## HOUSING DEMAND CONTINUES TO EXCEED SUPPLY

The number of households has increased by greater than 200% over the last 50 years



## CAPITAL ALLOCATION FRAMEWORK

Maximize shareholder value through efficient sourcing and usage of cash



<sup>&</sup>lt;sup>1</sup>Represents actual numbers as of March 31, 2025

<sup>&</sup>lt;sup>2</sup> Of this available commitment, \$1.0B was drawn as of March 31, 2025,

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## EXPANSION THROUGH ORGANIC GROWTH & TARGETED ACQUISITIONS

#### **Expansion Criteria**

- High population growth
- Strong job creation
- Affordable markets

### **Organic Growth Case Studies**



#### **External Growth Case Studies**

	HOMES	<b>COVENTRY</b> HOMES
Closed	October 2020	October 2021
Rationale	<ul> <li>Leading regional builder with operations in North and South Carolina</li> <li>Serves first-time and move-up market - a high demand segment</li> <li>Access to high growth markets (Raleigh and Charlotte)</li> </ul>	<ul> <li>Operating since 1988 and closed over 55,000 homes</li> <li>Opportunity to build significant scale in the largest housing market in the US</li> <li>Acquired a backlog of over 1,845 homes with a value in excess of \$1 billion with an addition 5,500 lots under control</li> </ul>
Closings (FY 2021)	1,233 closings	689 closings <sup>1</sup>
Closings (FY 2022)	1,433 closings	2,229 closings
Closings (FY 2023)	1,451 closings	2,103 closings
Closings (FY 2024)	1,360 closings	2,502 closings

## ADDITIONAL GROWTH OPPORTUNITIES IN LUXURY AND ACTIVE ADULT SPACE

Active Adult and Luxury segments are a growing and opportunistic set of product lines to capture additional revenue and enhance our returns over time





- Average Sales Price: \$0.5M
- Newly formed division (640 closings<sup>1</sup> since its launch in 2020), which caters to the active adult (55+) lifestyle and offers close proximity to a wide range of outdoor activities and modern conveniences
- Comprised of four master-planned communities and 805 lots owned or controlled1
  - Reverie at TrailMark (St. Augustine, FL)
  - ➤ Reverie at Silverleaf (St. Augustine, FL)
  - > Everlake at Mandarin (Jacksonville, FL)
  - Reverie At Palm Coast (Palm Coast, FL)





- Average Sales Price: >\$1.0M
- DFH Luxury Homes has become one of Northeast Florida's top custom homebuilders
- The division leverages experience, knowledge and strength in the industry to create a simplified design and construction process

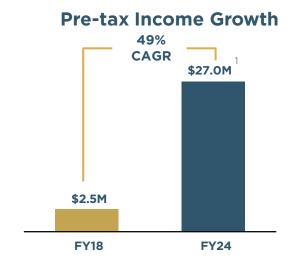
## MORTGAGE BANKING SUBSIDIARY

#### Maximizing the client experience while enhancing profitability



- On July 1, 2024, DFH acquired the remaining interest in Jet Home Loans. The business is now a 100% owned subsidiary
- Jet Home Loans underwrites and originates home mortgages across DFH's geographic footprint
- Provides a distinct competitive advantage relative to homebuilders without holistic mortgage solutions, as many of DFH's homebuyers seek an integrated home buying experience
- Helps enhance customer experience, allowing DFH to prequalify buyers early in the home buying process and in turn provide better visibility in converting sales backlog into closings





## Q1 2025 Stats

Average FICO Score 738

### **Product Mix**

59% - Government

44% - Non-agency

## **Capture Rate**

78.4%



## OUR COMMITMENT TO ESG INITIATIVES

#### **Environmental**

130+ homes will meet LEED Gold Standard Accreditation

#### Home features include solar panels, solar-conscious building, waterconscious landscaping, electric car outlets, energy-efficient appliances and fixtures

Focus on first-time quality homes for first-time home buyers

### **Affordability**

- Numerous homes built in our DC Metro for low-income residents
- Colorado community to feature diverse housing across senior-affordable and low-income housing segments

#### Community

- Child safety sponsor of Monique Burr foundation and Cancer care sponsor of B STRONG Ride in Boulder
- Youth development programs with Jacksonville Jaguars and First Tee
- Discounts<sup>1</sup> for Front Line Workers and Hometown Heroes

#### **Diversity**

- Competitive benefits and meritocracy structure for employees
- Continuing efforts to shape our DEI programs from the Board all the way to screening of 3<sup>rd</sup> party engagements

#### Governance

- Direct oversight and action from our Board which oversees ESG practices
- Nominating and Governance Committee monitors ESG success and is responsible for establishing policies alongside management



 \$1,500 special incentive toward additional design studio upgrades. Hometown Heroes include active and retired military personnel, teachers, doctors, nurses, firefighters, paramedics and police officers.

## OUR TEAM & CULTURE

## A strong focus on alignment of interests among employees, the Company and shareholders

#### We empower employees by:

- Giving them the ability to earn above-market compensation by producing above-market results
- Supporting meritocracy and the right incentive structures to drive outperformance
- Allowing the best and most talented individuals to move up,
   regardless of tenure, rank, education or background
- Encouraging enhanced personal accountability and an owneroriented attitude

#### **Enabling our company to:**

- Run the organization more autonomously allowing agile decision making
- Maintain an entrepreneurial spirit and allow individuals to flourish
- Not be encumbered by bureaucratic processes
- Acknowledge and learn from mistakes



## EXECUTIVE LEADERSHIP

**Aligned with shareowners** 



**Patrick Zalupski** 

President, Chief Executive Officer & Chairman of the Board of Directors

Mr. Zalupski is our President and Chief Executive Officer and has served as Chairman of the Board of Directors since January 2021. He has served as the Chief Executive Officer of our primary operating subsidiary. Dream Finders Homes LLC, a Florida limited liability company ("DFH LLC"), since forming the company in December 2008, and as the Chief Executive Officer and a member of the board of managers of DFH LLC since its formation in 2014. He is responsible for our overall operations and management and is heavily involved in the origination, underwriting and structuring of all land investment activities. Under Mr. Zalupski's leadership, we have grown from closing 27 homes in Jacksonville, Florida during our inaugural year in 2009 to establishing operations in markets across the Southeast, Mid-West and Mid-Atlantic regions of the United States, and have closed over 40,000 homes since our inception through the first quarter of 2025. Prior to founding DFH LLC, Mr. Zalupski was a Financial Auditor for FedEx Corporation's Internal Audit Department in Memphis, Tennessee and worked in the real estate sales and construction industry as Managing Partner of Bay Street Condominiums, LLC from 2006 to 2008. He has served on the investment committee of DF Capital Management, LLC, an investment manager focused on investments in land banks and land development joint ventures to deliver finished lots to us and other homebuilders for the construction of new homes, since April 2018. Mr. Zalupski received a B.A in Finance from Stetson University.



**Anabel Ramsay** 

Senior Vice President & Chief Financial Officer

Ms. Ramsay joined us in 2018, serving in the position of Vice President and Treasurer, and as a member of the Asset Management Committee. Ms. Ramsay was appointed to Interim Chief Financial Officer on October 6, 2021, and promoted to Senior Vice President and Chief Financial Officer on April 1, 2022. Ms. Ramsay has been responsible for balance sheet management, capital allocation, cash forecasting and overall supervision of our accounting, tax and treasury functions, including overall management of our debt, compliance, and reporting for lenders, investors and shareholders. Prior to joining the Company, Ms. Ramsay served as the Vice President of Finance for the Americas region at Macquarie Group Limited, an Australian multinational independent investment bank and financial services company, from April 2016 to May 2018, overseeing financial and internal tax reporting for over 200 U.S. legal entities in the energy, capital and credit markets space and subsequently managing the financial audit process for Macquarie Group Limited's aircraft leasing business. Prior to joining Macquarie Group Limited, Ms. Ramsay served as the Corporate Accounting Manager at Fidelity National Financial, a provider of title insurance and settlement services to the real estate and mortgage industries, in the title insurance business from November 2014 to April 2016. Ms. Ramsay started her career at Aeroflex Incorporated, a former publicly listed aerospace and defense electronics manufacturer, where she worked from 2002 to 2014. Ms. Ramsay is a Certified Public Accountant and received a B.B.A in Accounting, Financial Economics and Economics from Lincoln Memorial University.

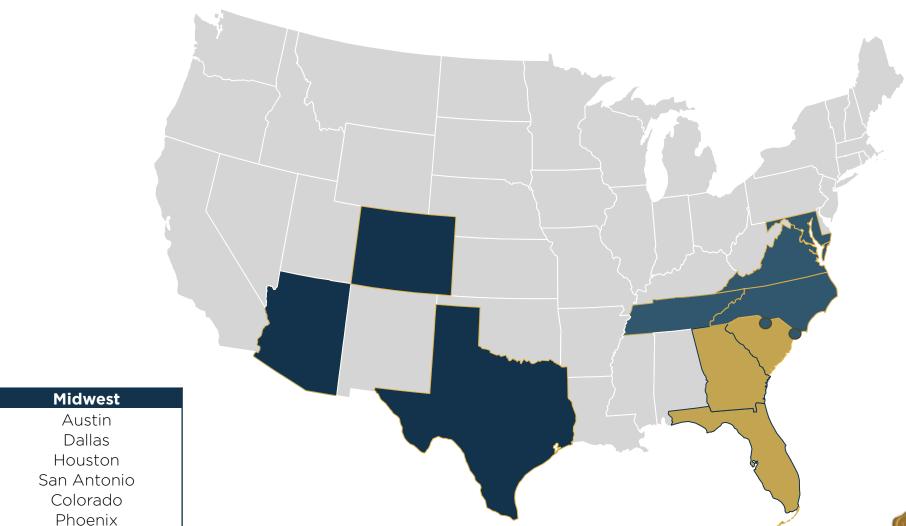


## KEY FINANCIAL METRICS

Metrics	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
Homebuilding Revenues	\$1,135M	\$825M	\$1,052M	\$986M	\$1,534M	\$970M
Pre-Tax Income	\$135M	\$71M	\$106M	\$92M	\$169M	\$71M
Net Income attributable to DFH	\$102M	\$55M	\$81M	\$71M	\$129M	\$55M
<b>Active Community Count</b>	221	232	222	2351	2421	258 <sup>1</sup>
Home Closings	2,153	1,655	2,031	1,889	3,008	1,925
Net New Orders	1,106	1,724	1,712	1,680	1,611	2,032
<b>Controlled Lot Pipeline</b>	29,748	36,462	40,678	44,825	54,698	60,538
Homebuilding Gross Margin	20.5%	17.8%	19.0%	19.2%	17.7%	19.2%
Return on Participating Equity	36.3%	34.9%	33.5%	30.4%	29.7%	28.5%
Inventory Turnover (TTM)	2.1x	1.9x	1.9x	1.8x	2.3x	2.2x

## SEGMENT REPORTING

As a result of our continued growth and strategy to maintain agility, the management of our homebuilding operations changed from a divisional level to a regional level. We have updated our reporting to align with this change in view and there are now four segments (Midwest, Mid-Atlantic, Southeast and Financial Services) which are defined below.



#### **Financial Services**

Jet HomeLoans Golden Dog Title and Trust

#### **Mid-Atlantic**

DC Metro Nashville Charlotte Fayetteville Raleigh Wilmington Charleston Myrtle Beach Greenville

#### Southeast

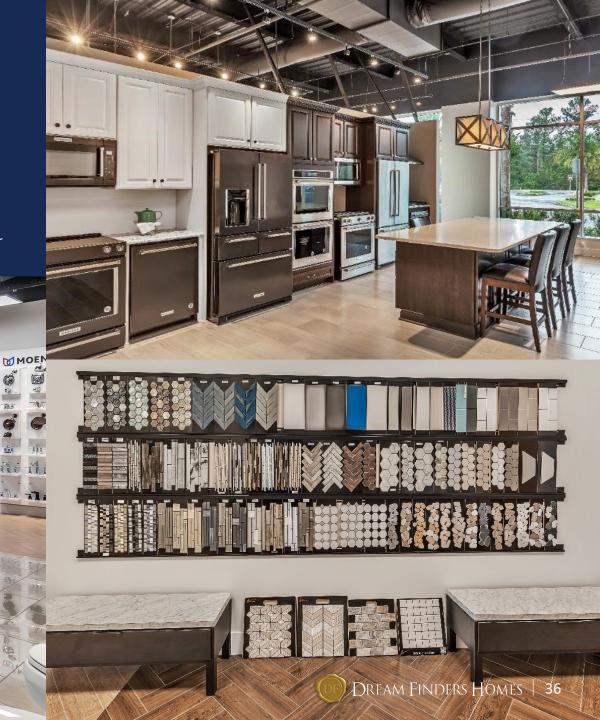
Jacksonville Orlando Tampa Southeast FL Southwest FL Savannah Hilton Head Bluffton Active Adult **Custom Homes** 



## ONE-OF-A-KIND DESIGN CENTER EXPERIENCE

• All Dream, Designer, and Platinum Series homes offer custom interior selections, using best-in-class design centers and design associates

 Jacksonville, FL 5,000 sq. ft. design center receives ~20 homebuyers weekly to view 1,000+ product samples and custom finishes for their new home



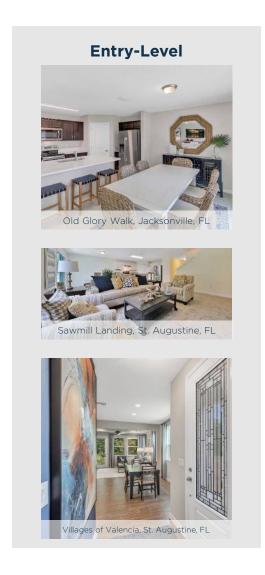
## MODERN, OPEN-CONCEPT FLOOR PLANS

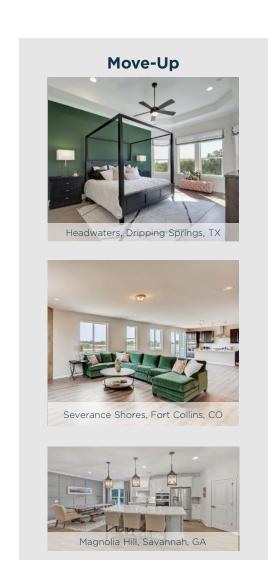
- Makes entertaining enjoyable
- Increases real estate value
- Provides shared light
- Creates better flow
- Makes the home feel larger
- Gives the home a modern feel
- Highlights kitchen as the focal point
- Creates a connection to outdoor space
- Improves energy efficiency

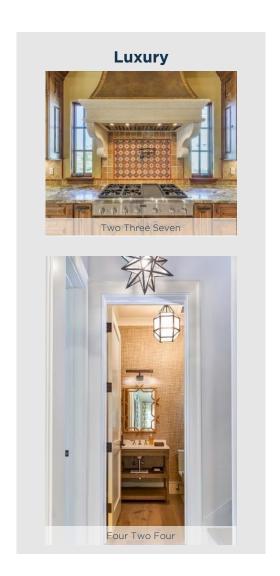


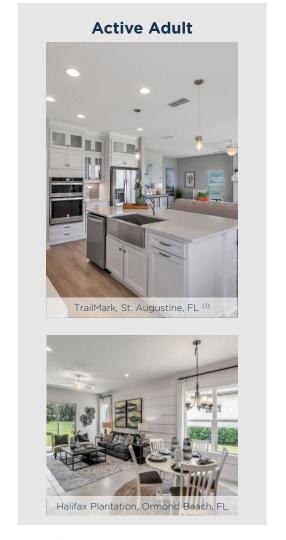
## QUALITY FINISHES AT EVERY PRICE POINT

Customers at every price point have an opportunity to select unique design finishes to add a personal touch to their home











- Awarded by *Builder Magazine* (Zonda)
- Awarded for Excellence, Innovation & Growth
- National Marketing Campaign
  - Strengthen Brand Recognition
  - Boost Realtor & Customer Trust
  - Drive Lead Conversions
  - Enhance Employee Engagement



## Contact

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