

Not filed with the U.S. Securities and Exchange Commission

FORM 8-K

CURRENT REPORT

Pursuant to the Indenture governing the Company's 6.875% Senior Notes due 2021
and Indenture governing the Company's 6.750% Senior Notes due 2025

Date of Report (Date of earliest event reported): March 7, 2019

ASHTON WOODS USA L.L.C.

(Exact name of Registrant as Specified in Charter)

Nevada

(State or Other Jurisdiction of
Incorporation)

1405 Old Alabama Road, Suite 200, Roswell, Georgia 30076

(Address of principal executive offices)

(770) 998-9663

(Registrant's telephone number, including area code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act (17 CFR 240.14a-12(b))
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 8.01 Other Events

Attached as Exhibit 99.1 to this current report is an updated Investor Presentation that Ashton Woods USA L.L.C. intends to use in meetings with certain investors and analysts.

Item 9.01 Financial Statements and Exhibits

d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Ashton Woods USA L.L.C. updated Investor Presentation dated March 2019.

SIGNATURE

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.

Dated: March 7, 2019

ASHTON WOODS USA L.L.C.

By: /s/ Cory Boydston

Cory Boydston
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.

Description

99.1

Ashton Woods USA L.L.C. updated Investor Presentation dated March 2019.



DISCLAIMER



This presentation and associated discussion include forward-looking statements as characterized in the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to: our expectations about trends in the housing or homebuilding markets, or for Ashton Woods in particular; plans to protect our balance sheet and leverage ratios, maintain liquidity, reduce inventory, lot supply, debt, overhead and costs; results of option contract renegotiations; sales of land or joint venture interests; the level of non-cash impairment charges we may incur; expectations for cash flow; as well as the timing of these items or their related metrics; and our future opportunities and operations of Ashton Woods. When used in this presentation, the words "estimate," "expect," "anticipate," "project," "plan," "intend," "believe," "forecast," "will" and variations of such words or similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon the expectations of management under current assumptions at the time of the presentation. These expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them. However, we cannot offer any assurance that our expectations, beliefs and projections will actually be achieved. The Company makes no commitment, and disclaims any duty to update or revise any forward-looking statements to reflect future events or changes in our expectations. There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in this presentation.

This presentation presents non-GAAP financial measures, including EBITDA and earnings adjusted to exclude certain amounts, along with ratios using these non-GAAP financial measures. These measures are commonly used to compare operating results between periods or companies, but are not generally accepted accounting principles (GAAP).

MANAGEMENT PRESENTERS

Kenneth Balogh – President & CEO



- Joined Ashton Woods in September 2009
- 26 years of industry experience
- Prior positions include:
 - Executive Vice President of the East Region at Centex (now part of Pulte Group)
 - Vice President of Finance and Division President at Centex
- Serves on Board of Directors for HomeAid, leading national non-profit provider of housing for the homeless population

Cory Boydston - CFO



- Joined Ashton Woods in August 2009
- 32 years of industry experience
- Prior positions include:
 - Vice President of Finance and CFO at Lennar Corp.
 - Senior Vice President and CFO at Starwood Land Ventures
 - Senior Vice President of Finance and Treasurer at Beazer Homes
- Founder – Women's Housing Leadership Group
- Serves on Board of Directors and Audit Committee of BMC Holdings, Inc. (NASDAQ: BMCH)

Zack Sawyer - CAO



- Joined Ashton Woods in 2008
- 10 years of industry experience
- Prior to joining Ashton Woods, worked in the audit department at KPMG Atlanta
- Named to 2019 Professional Builder's Forty under 40



COMPANY OVERVIEW

ASHTON **AW** WOODS.

ASHTON WOODS AT A GLANCE

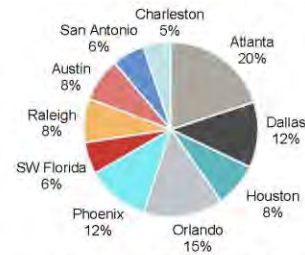
- **3rd largest private homebuilder and 19th largest homebuilder overall in the U.S.¹**
 - Majority-owned by Great Gulf Group since Company's founding in 1989
 - 30 years of operating history
 - ~40,000 homes sold
 - 928 employees across 10 operating divisions
- **Award winning brands**
 - Ashton Woods, offering luxury design and personalization
 - Starlight Homes, offering affordable entry level homes
- **Established presence in attractive housing markets**
 - Operations in 12 MSAs in 6 states across the Southeastern and Southwestern U.S.
 - Arizona, Florida, Georgia, North Carolina, South Carolina, and Texas
 - Geographic footprint focused on markets with favorable economic, demographic, and employment trends
 - Well-diversified with no market representing more than 20% of LTM revenues
- **Summary financial statistics³**
 - LTM revenues of \$1.6bn
 - LTM EBITDA of \$122mm
 - Total assets of \$1.2bn

Geographic focus



Diversified presence in high-growth Sunbelt and Southeast markets

LTM revenue by operating division³



¹ Professional Builder Magazine, based on revenues for 2017; ² Official grand opening of Starlight Homes in Houston was March 2, 2019; ³ At or for the 12 months ended 11/30/18

OVERVIEW OF GREAT GULF GROUP

One of North America's most innovative and diversified real estate development companies

History

- Founded in 1975 and headquartered in Toronto, Canada, Great Gulf has grown from its roots as a successful regional homebuilder into one of North America's premier real estate organizations
- Great Gulf specializes in residential, commercial, industrial/retail, and resort development, spanning the entire real estate spectrum from land acquisition to development and construction


Relationship with Ashton Woods

- Founded Ashton Woods in 1989
- Currently owns 88% of Ashton Woods equity
- ~\$125mm of equity contributions to the Company from Great Gulf and minority investors since the beginning of the most recent housing downturn

Overview

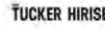
- Experienced management team
 - Great Gulf's roots are as a state-of-the-art builder, contractor, and land developer
 - Depth and breadth of management expertise
- Consistently delivers strong project returns
 - Over 40 years of development expertise
 - Solid and reputable track record with partners


Companies


 **GREAT GULF** ■ **Great Gulf Homes:** Low-rise residential developments


 **GREAT GULF** ■ **Great Gulf High Rise:** Residential condo developments

FIRST GULF ■ **First Gulf:** Commercial developer and general contractor of retail, office, and industrial properties

 **TUCKER HIRISE** ■ **Tucker HiRise:** Residential high rise condo general contractor

 **ASHTON WOODS** ■ **Ashton Woods:** 3rd largest private homebuilder in the U.S.

 **H+ME** ■ **Home Technology:** Innovative wall, floor, and roof panel systems for residential builders

 **taboo** ■ **Taboo Resort, Golf & Conference Centre:** An internationally-renowned leisure property



KEY CREDIT HIGHLIGHTS

ASHTON **AW** WOODS.

KEY CREDIT HIGHLIGHTS

Focus on high-growth Sunbelt and Southeast regions

Best in class homebuilder brands

Diversified and award-winning product offerings

Significant momentum in entry level space

Attractive land portfolio

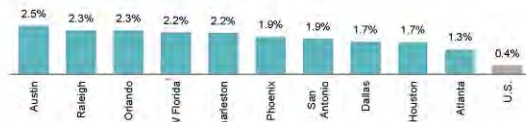
Top-tier management team with significant industry experience

FOCUS ON HIGH GROWTH SUNBELT AND SOUTHEAST U.S. REGIONS

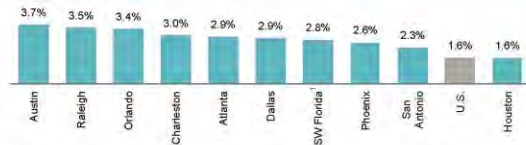


- Our markets are characterized by robust population and employment growth trends
- We are active in 7 of the top 10 U.S. markets as ranked by number of single-unit housing permits

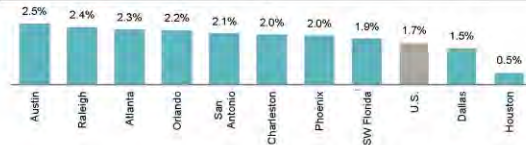
Total population growth (2018 vs. 2017)



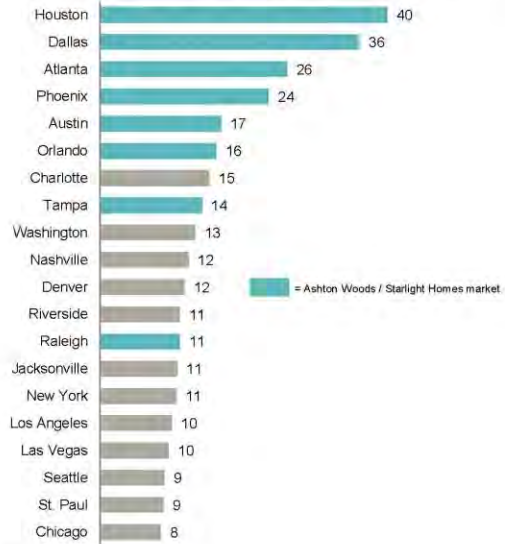
Projected employment growth (2019E)



Median household income (2019E – 2024E CAGR)



U.S. MSAs by number of single family permits ('000)²



Source: Bureau of Labor Statistics, U.S. Census Bureau, JBRCE estimates
¹ Southwest Florida markets include Naples, Sarasota and Tampa; figure shown represents average of these three markets; ² Data as at December 2018

Source: U.S. Census Bureau

BEST-IN-CLASS BRANDS CREATE DIFFERENTIATED CUSTOMER VALUE PROPOSITION

ASHTON **AW** WOODS



High-end design and personalization

- The Ashton Woods brand is targeted towards home buyers who have a preference for and willingness to pay a premium for premium design and a high degree of personalization
- Ashton Woods Design Studios enable design consultants to take buyers' inspiration and vision and translate them into beautiful and stylish homes
- Brand offers a personal, collaborative, and empowering homebuilding experience
- Ashton Woods homebuyers spent an average of \$55,065 in option selections for the twelve months ended Nov 30, 2018
- National recognition through awards for the industry's Best Interior Model Merchandising and Best Design Center

Affordable entry level homes

- Ashton Woods began offering entry-level homes under the Starlight brand in FY 2017
- Driven by significant opportunity to convert renters into first-time homebuyers and capture move-down buyers
- Focus on land sites near dense rental populations and close proximity to transportation arteries
- High-efficiency building process – simplified design drives lower cycle times and higher asset turns
- Targeted, data-driven marketing strategy designed to continually optimize for cost / lead and cost / sale
- Starlight Homes represents 23% of closings and 13% of revenue for the 12 months ended November 30, 2018

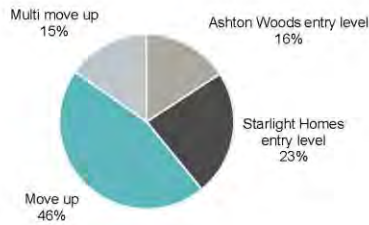


DIVERSIFIED PRODUCT OFFERINGS

- The Company has expanded its customer base, enhanced growth and improved profitability by diversifying its product portfolio in each market without a significant increase in overhead costs, including through the addition of Starlight Homes
- Prices range from low \$100 thousands to over \$1 million, with different products and features intended to meet the expectations and demands of different consumer segments
- For our Ashton Woods brand, in-depth analysis of homebuyer segments has driven us to focus on financially attractive target consumers – specifically, buyers who have a preference for and willingness to pay a premium for high design and personalization
- Our emergence as the industry's design leader and ability to deliver personalization in a production model has attracted a buyer who spends an average of \$55K¹ per home in option selections
- Addition of Starlight brand in FY 2017 enhances appeal to first-time buyers in locations with dense apartment populations and proximity to transportation arteries



Closings by Buyer Type²



ASP (\$000s)³



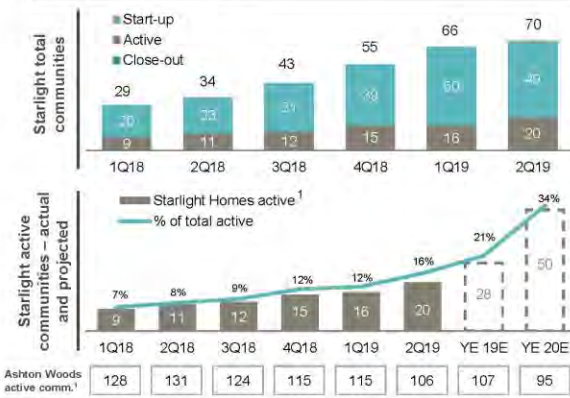
¹ For the 12 months ended 11/30/18

² Based on homes closed for the last 12 months ended 11/30/18

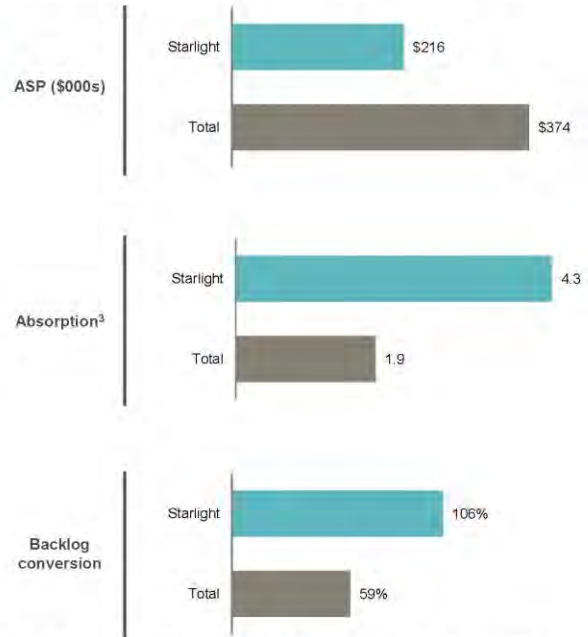
³ For three months ended 11/30/18

MOMENTUM IN STARLIGHT HOMES ENTRY LEVEL PRODUCT OFFERING

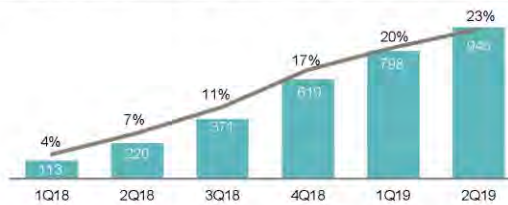
Starlight communities



Select Starlight operating metrics vs. total company²



Starlight LTM closings and % of total closings



¹ Includes both total active communities for historical periods and total targeted active communities at May 31, 2019, and May 31, 2020. Total targeted active communities are based on company estimates and current start-up communities. We cannot offer any assurance that our estimate of target active communities in future periods will actually be achieved. Please see additional information in the disclaimers on page 1 of this presentation.

² Based on quarter ended 11/30/18

³ Based on monthly net new orders divided by number of active communities.

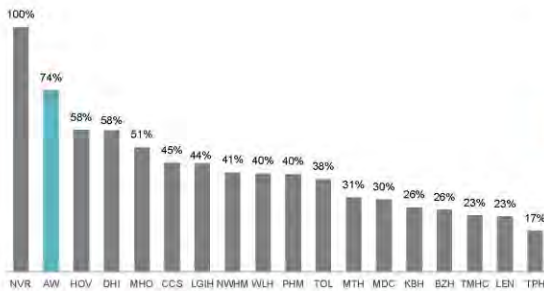
ATTRACTIVE LAND PORTFOLIO WITH LIMITED DEVELOPMENT RISK AND FOCUS ON OPTIONED LOTS



Highlights

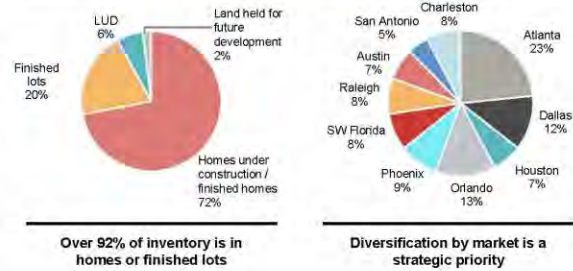
- Diversified portfolio in well-established markets
- Strategic focus on optioned lots allows for flexibility in deployment of capital and limits unused inventory dollars on balance sheet
 - 74% optioned as of 11/30/18 as compared to 58% as of 11/30/17
- Over 92% of our \$940mm inventory balance at 11/30/18 was highly developed, either in the form of finished homes, homes under construction, or finished lots
- 7.3 years of controlled land supply evenly spread across our markets as of 11/30/18
- Own or control lots for 100% of projected FY 2019, 2020, and 2021 sales

% of lots optioned¹



Note: Ashton Woods owned lots includes lots with homes under construction
¹ Source: Most recent company filings

Book value of inventory as of 11/30/18 (\$940mm)



Owned and controlled lots as of 11/30/18

	ASHTON AW WOODS	STARLIGHT	Total
Owned lots	4,303	3,245	7,548
Optioned lots	10,931	10,837	21,768
Total	15,234	14,082	29,316
<i>% of total</i>	52%	48%	
Years supply owned	1.4	3.4	1.9
Years supply controlled	4.9	14.9	7.3

AWARD-WINNING HOMEBUILDER

ASHTON **AW** WOODS

Over the last year Ashton Woods has won more than 70 National and Local Industry Awards

Design highlights

- Grand ARDA: Best Interior Merchandising \$275,000 to \$400,000, Comal at Arcadia Ridge, San Antonio at ARDA Awards, 2018
- Best Interior Model Merchandising \$800,000+, Oxford at Cadence, Atlanta at OBIE Awards, 2018
- Best Design Center, The Studio by Ashton Woods, Charleston at Prism Awards, 2018



Architecture highlights

- Grand Aurora: Best Multi-Family Housing Community, Nabucco at Aria, Atlanta, 2018
- Best Product Design \$500,000+, Waverly, Glenpark model at Raleigh MAME Awards, 2018
- Best Single Family Home, \$300,000- \$400,000, The Lincoln at Rhodes Crossing, Charleston at Prism Awards, 2018



Sales & marketing highlights

- Best Realtor Marketing Program, Atlanta at OBIE Awards, 2018
- Best Corporate Website and Social Media Campaigns at multiple HBA Awards, 2018
- Salesperson of the Year and Best Online Specialist at multiple HBA Awards, 2018



Community & service highlights

- Texas Association of Builders Shining Star Award for 25+ Years of Outstanding Service, Houston, 2018
- Gold, Community Service, Camp Twin Lakes, Atlanta at OBIE Awards, 2018
- Recently named Builder of the Year by Builder & Developer Magazine, Ashton Woods



TOP-TIER MANAGEMENT TEAM WITH SIGNIFICANT INDUSTRY EXPERIENCE

- Highly seasoned senior leadership team with significant industry and company tenure
- Deep division-level talent in all of our markets with key localized expertise and relationships

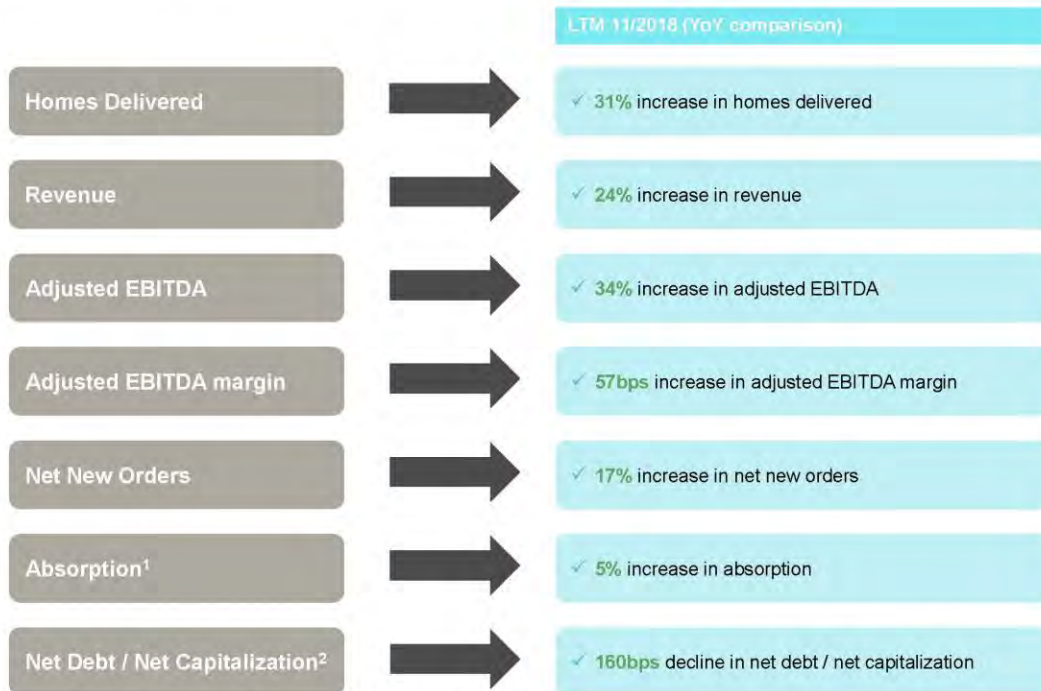
	Years			Years	
	Industry	AWH		Industry	AWH
Kenneth Balogh <i>President & Chief Executive Officer</i>	25	9	Adam Weaver <i>SVP of Purchasing</i>	24	6
Cory Boydston <i>Chief Financial Officer</i>	32	9	Ken Newman <i>SVP of Construction Operations</i>	33	1
Ryan Lewis <i>Chief Operating Officer</i>	20	6	Todd Jones <i>Division President, Atlanta</i>	27	1
Deborah Danzig <i>Chief Legal Officer</i>	13	7	Lindsay Motley <i>Division President, Austin</i>	18	1
Thad DiGiuro <i>SVP of Land Acquisition & Strategy</i>	18	16	Robert Norton <i>Division President, Charleston</i>	15	5
Jay Kallos <i>SVP of Architecture</i>	26	12	Tom Houser <i>Division President, Dallas</i>	42	5
Tony Albachiara <i>SVP of Sales</i>	23	5	Paul Sims <i>Division President, Houston</i>	39	9
Carrie Schonberg <i>Chief Marketing Officer</i>	7	7	John Reny <i>Division President, Florida</i>	30	19
Zack Sawyer <i>SVP / Chief Accounting Officer</i>	11	11	Scott Moore <i>Division President, Phoenix</i>	25	13
Karin Shaban <i>SVP of Human Resources</i>	11	7	Jay Gillilan <i>Division President, Raleigh</i>	17	2
Scott Lyon <i>SVP of Financial Services</i>	20	8	Damon Lyles <i>Division President, San Antonio</i>	43	7
			Average	24	8



FINANCIAL SUMMARY

ASHTON **AW** WOODS.

SIGNIFICANT MOMENTUM ACROSS FINANCIAL METRICS



¹ Based on monthly net new orders divided by number of active communities for the quarter ended November 30, 2018
² 11/30/2018 compared to 11/30/2017 period end

HISTORICAL FINANCIAL PERFORMANCE SUMMARY



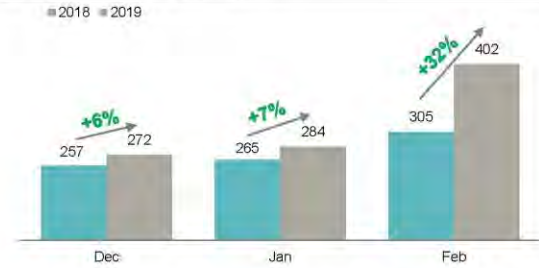
\$ in millions, except as noted	Year ended May 31,			LTM period ending 11/30/18
	2016	2017	2018	
Operations:				
Net new orders	2,649	3,001	3,800	3,823
% growth	3.2%	13.3%	26.6%	16.5%
Absorption ¹	1.7	1.9	2.4	2.5
Closings	2,683	2,810	3,643	4,042
% growth	13.7%	4.7%	29.6%	31.0%
Closing ASP (\$'000)	\$427	\$431	\$405	\$396
Summary financials:				
Homebuilding revenue	\$1,146	\$1,212	\$1,475	\$1,600
% growth	20.7%	5.8%	21.7%	24.1%
Total revenue	\$1,149	\$1,218	\$1,478	\$1,607
% growth	19.5%	6.0%	21.3%	24.0%
Homebuilding gross margin (%)	18.3%	18.2%	17.2%	17.2%
Adjusted homebuilding gross margin (%)	20.2%	20.1%	19.1%	19.3%
SG&A as % of HB revenue	12.8%	13.2%	12.4%	12.2%
EBITDA (\$)	\$89	\$90	\$103	\$122
% growth	15.6%	1.1%	14.4%	41.9%
Adjusted EBITDA (\$)	\$89	\$90	\$108	\$122
% growth	15.6%	1.1%	20.0%	34.1%
Pre-tax income	\$43	\$42	\$52	\$72
Summary balance sheet:				
Total debt	\$380	\$437	\$493	\$606
Total equity	284	313	348	349
Total assets	886	973	1,063	1,186

¹ Based on monthly net new orders divided by number of active communities

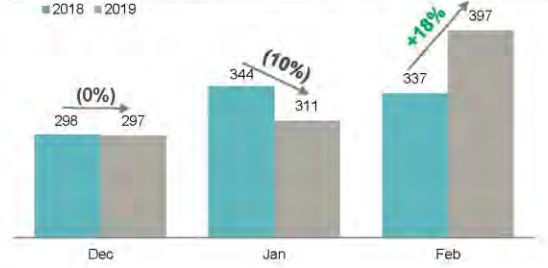
PRELIMINARY Q3 OPERATING RESULTS

Three months ended February 28, 2019 as compared to three months ended February 28, 2018

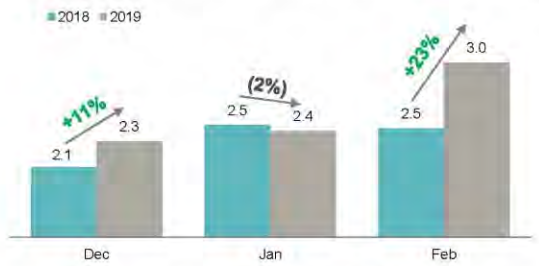
Q3 Homes Closed (Units)



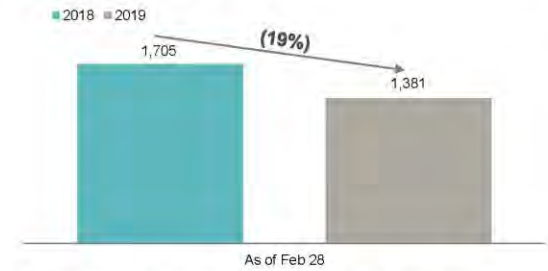
Q3 Net New Home Orders (Units)



Q3 Monthly Sales per Average Active Community¹



Q3 Backlog (Units)



Note: These preliminary results are unaudited. They may be revised in our reported third quarter financial statements. They have also not been reviewed by our independent public accountants. Accordingly, you should not place undue reliance on such preliminary information.
¹ For the monthly sales per average active communities data for the three months ended February 28th, average active communities is calculated using the average of the beginning of the period and the end of the period.

BALANCE SHEET

Balance sheet commentary

- Ample liquidity of \$238mm
- Minimal off balance sheet debt
- Strategy to reduce leverage and lower risk as housing cycle matures while pursuing prudent growth

Capitalization (\$mm)

	11/30/2018
Senior Secured Revolving Credit Facility	112
6.875% Senior Unsecured Notes due January 2021	250
6.750% Senior Unsecured Notes due August 2025	250
Discount and deferred costs	(7)
Total debt	\$606
Book value of equity	349
Total capitalization	\$966

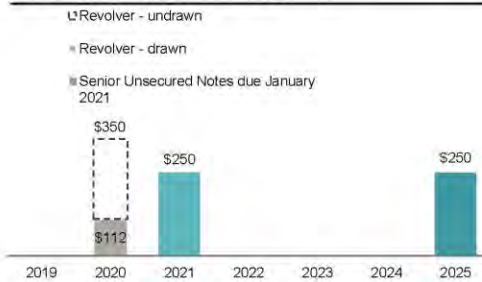
Credit statistics

Total debt / Book cap	64%
Net debt / Net book cap	64%
Cash + inventory / total debt	1.6x
EBITDA / LTM interest incurred	2.8x

Leverage over time (net debt to net cap)



Debt maturity schedule (\$mm)



Diversified and disciplined growth

- Continue to focus on current strong markets and grow market share
- Maintain an appropriate supply of land in key markets for future build out
- Continue to balance lot ownership and control through option contracts
- Continue to optimize portfolio of entry-level, move-up and multi move-up communities
- Continue to leverage our recognizable brand name associated with high levels of quality, design and personalization
- Scale platform to enhance operational efficiency and cycle time reductions and generate better capital efficiency



APPENDIX

ASHTON **AW** WOODS.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Reconciliation of home gross margin to adjusted home gross margin (\$000s)

	Years ended May 31,			LTM period
	2016	2017	2018	ending 11/30/2018
Home sales revenues	\$1,145,793	\$1,212,140	\$1,474,683	\$1,599,857
Cost of sales – homes	936,387	991,351	1,221,597	1,324,055
Home gross margin	\$209,406	\$220,789	\$253,086	\$275,802
Add: Inventory impairments	788	594	331	2,182
Interest amortized to cost of sales	20,945	21,955	27,710	30,921
Adjusted home gross margin	\$231,139	\$243,338	\$281,127	\$308,905
Ratio of home gross margin to home sales revenues	18.3%	18.2%	17.2%	17.2%
Ratio of adj. home gross margin to home sales revenues	20.2%	20.1%	19.1%	19.3%

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (CONT'D)

Reconciliation of net income to EBITDA (\$000s)

	Years ended May 31,			LTM ending
	2016	2017	2018	11/30/2018
Net income	\$43,179	\$41,609	\$52,470	\$71,832
Depreciation and amortization	12,716	14,209	11,360	10,833
Interest amortized to cost of sales	20,945	21,955	27,710	30,921
Interest expensed	11,712	12,547	11,640	8,413
EBITDA	\$88,552	\$90,320	\$103,180	\$121,999
Loss from early extinguishment of debt	-	-	5,263	-
Adjusted EBITDA	\$88,552	\$90,320	\$108,443	\$121,999