UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2024

OR

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

For the Transition Period From ______ To ______

Commission File Number 1-9804

PULTEGROUP, INC.

(Exact name of registrant as specified in its charter)

Michigan	**38-2766606**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3350 Peachtree Road NE, Suite 1500

Atlanta, Georgia 30326

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: 404 978-6400

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Shares, par value $0.01	PHM	New York Stock Exchange
Series A Junior Participating Preferred Share Purchase Rights		New York Stock Exchange

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

NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 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 such 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 (§ 232.405 of this chapter) 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the registrant's voting shares held by nonaffiliates of the registrant as of June 30, 2024, based on the closing sale price per share as reported by the New York Stock Exchange on such date, was approximately $22.8 billion. As of January 23, 2025, the registrant had 202,457,952 shares of common shares outstanding.

Documents Incorporated by Reference

Applicable portions of the Proxy Statement for the 2025 Annual Meeting of Shareholders are incorporated by reference in Part III of this Form.

PULTEGROUP, INC.
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PART I

ITEM I.   BUSINESS

PulteGroup, Inc. is a Michigan corporation organized in 1956. We are one of the largest homebuilders in the United States ("U.S."), and our common shares are included in the S&P 500 Index and trade on the New York Stock Exchange under the ticker symbol "PHM". Unless the context otherwise requires, the terms "PulteGroup", the "Company", "we", "us", and "our" used herein refer to PulteGroup, Inc. and its subsidiaries. While our subsidiaries engage primarily in the homebuilding business, we also have financial services businesses, which include mortgage banking, title, and insurance agency operations, through Pulte Mortgage LLC ("Pulte Mortgage") and other subsidiaries.

Available information

We file annual, quarterly, and current reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). These filings are available at the SEC’s website at www.sec.gov. Our internet website address is www.pultegroupinc.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act are available free of charge through our website as soon as reasonably practicable after we electronically file them with or furnish them to the SEC. Our code of ethics for our principal executive officer, principal financial officer, principal accounting officer, and persons performing similar functions, our code of ethical business conduct, our corporate governance guidelines, and the charters of the Audit, Compensation and Management Development, Nominating and Governance, and Finance and Investment Committees of our Board of Directors are also posted on our website and are available in print, free of charge, upon request.

Homebuilding Operations

Homebuilding, our core business, involves the acquisition and development of land primarily for residential purposes within the U.S. and the construction of housing on such land. Homebuilding generated 98% of our consolidated revenues of $17.9 billion in 2024, 98% of our consolidated revenues of $16.1 billion in 2023, and 98% of our consolidated revenues of $16.0 billion in 2022. Our Homebuilding operations are geographically diverse within the U.S. During 2024, we operated out of an average of 945 active communities in 46 markets across 25 states. We offer a broad product line to meet the needs of homebuyers in our targeted markets. Through our brands, which include Centex, Pulte Homes, Del Webb, DiVosta Homes, John Wieland Homes and Neighborhoods, and American West, we offer a wide variety of home designs with varying levels of options and amenities to our major customer groups: first-time, move-up, and active adult. During 2024, we delivered closings totaling 31,219 homes, compared with 28,603 homes in 2023 and 29,111 homes in 2022. Over our history, we have delivered over 850,000 homes.

We predominantly sell single-family detached homes, which represented 83% of our home closings in 2024 and 2023, and 86% in 2022. The remaining units consist of attached homes, such as townhomes, condominiums, and duplexes. Sales prices of home closings during 2024 ranged from approximately $150,000 to over $2,500,000, with 84% falling within the range of $250,000 to $750,000. The average unit selling price in 2024 was $555,000, compared with $545,000 in 2023, and $534,000 in 2022.

Strategy

We believe that national publicly-traded builders have a competitive advantage over local builders through their ability to: access more reliable and lower cost financing through the capital markets; control and entitle large land positions; gain better access to scarce labor resources; and achieve greater geographic and product diversification. We believe that builders with broad geographic and product diversity and sustainable capital positions will benefit from this scale and diversification in any market conditions. Our strategy to enhance shareholder value is centered around the following operational objectives:

- Drive operational gains and asset efficiency in support of high returns over the housing cycle;
- Shorten the duration of our owned land pipeline to improve returns and reduce risks;
- Increase scale within our existing markets by appropriately expanding market share among our primary buyer groups: first-time, move-up, and active adult;
- Focus on maintaining an appropriate balance of built-to-order and speculative homes; and
- Manage the Company's capital consistent with our stated priorities: invest in the business, fund our dividend, and routinely return excess funds to shareholders through share repurchases, while maintaining a modest leverage profile.

Land acquisition and development

We acquire land primarily for the construction of homes for sale. We select locations for development of homebuilding communities after completing a feasibility study, which includes, among other things, soil tests, independent environmental studies and other engineering work, an evaluation of necessary zoning and other governmental entitlements, and extensive market research that enables us to match the location with our product offering to meet the needs of consumers. We consider factors such as proximity to developed areas, population and job growth patterns, and, if applicable, estimated development costs. We frequently manage a portion of the risk of controlling our land positions through the use of land option agreements, which enable us to defer acquiring portions of properties owned by land sellers until we have determined whether and when to exercise our option. Our use of land option agreements can serve to enhance our expected returns on our land investments and reduce the financial risk associated with long-term land holdings. We typically acquire land with the intent to complete sales of housing units within 24 to 36 months from the date of opening a community, except in the case of certain Del Webb active adult developments and other large master-planned projects for which the completion of community build-out requires a longer time period. While our overall supply of controlled land is in excess of our short-term needs in certain of our markets, some of our controlled land consists of long-term positions that will not be converted to home sales in the near term. Accordingly, we remain active in our pursuit of new land investment. We also periodically sell select parcels of land to third parties for commercial or other development or if we determine that such parcels no longer fit into our strategic operating plans.

Land is generally purchased after it is zoned and developed, or is ready for development, for our intended use. Where we develop land, we engage directly in many phases of the development process, including: land and site planning; obtaining environmental and other regulatory approvals; and constructing roads, sewers, water and drainage facilities, and community amenities, such as parks, pools, and clubhouses. We use our staff and the services of independent engineers and consultants for land development activities. Land development work is performed primarily by independent contractors and, when needed, local government authorities who construct roads and sewer and water systems in some areas. At December 31, 2024, we controlled 234,589 lots, of which 102,176 were owned and 132,413 were under land option agreements.

Sales and marketing

We are dedicated to improving the quality and value of our homes through innovative architectural and community designs. Analyzing various qualitative and quantitative data obtained through extensive market research, we stratify our potential customers into well-defined homebuyer groups. Such stratification provides a method for understanding the business opportunities and risks across the full spectrum of consumer groups in each market. Once the needs of potential homebuyers are understood, we link our home design and community development efforts to the specific lifestyle of each consumer group. Through our understanding of each consumer group, we seek to provide homes that better meet the needs and wants of each homebuyer.

Our homes targeted to first-time homebuyers tend to be smaller with product offerings geared toward higher density and lower average selling prices relative to the local market. Move-up homebuyers tend to place more of a premium on location and amenities. These communities typically offer larger homes at higher price points. Through our Del Webb brand, we address the needs of active adults. Many of these active adult communities are age-restricted to homebuyers aged fifty-five and over and are highly amenitized, offering a variety of features, including athletic facilities, recreational centers, and educational classes, to facilitate the homebuyer maintaining an active lifestyle. In order to make the cost of these highly amenitized communities affordable to the individual homeowner, Del Webb communities tend to be larger than first-time or move-up homebuyer communities. During 2024, 40%, 38%, and 22% of our home closings were to first-time, move-up, and active adult customers, respectively, which reflects a small increase toward first-time buyers since 2023 consistent with our continued investment in serving first-time buyers.

We believe that we are an innovator in home design, and we view our design capabilities as an integral aspect of our marketing strategy. Our in-house architectural services teams, supplemented by outside consultants, follow a disciplined product development process to introduce new features and technologies based on customer-validated data. Following this disciplined process results in distinctive design features, both in exterior facades and in interior options and features. We typically offer a variety of house floor plans and elevations in each community, including potential options and upgrades, such as different flooring, countertop, fixture, and appliance choices, and we design our base house and option packages to meet the needs of our customers as defined through rigorous market research. Energy efficiency represents an important source of value for new homes compared with existing homes and represents a key area of focus for our home designs, including high efficiency heating, ventilation, and air conditioning systems and insulation, low-emissivity windows, solar power in certain geographies, and other energy-efficient features.

We market our homes to prospective homebuyers through internet listings and link placements, social media, mobile applications, media advertising, illustrated brochures, and other advertising displays. We have made significant enhancements in our tools and business practices to adapt our selling efforts to today's tech-enabled customers. This includes our websites (*www.pulte.com, www.centex.com, www.delwebb.com, www.divosta.com, www.jwhomes.com,* and *www.americanwesthomes.com)*, which provide tools to help users find a home that meets their needs, investigate financing alternatives, maintain a home, learn more about us, and communicate directly with us.

Our sales teams consist primarily of commissioned employees, and the majority of our home closings also involve independent third party sales brokers. Our sales consultants are responsible for guiding the customer through the sales process, including selecting the community, house floor plan, and options that meet the customer's needs. We are committed to industry-leading customer service through a variety of quality initiatives, including our customer care program, which seeks to ensure that homebuyers are engaged and satisfied at every stage of the process. Fully furnished and landscaped model homes physically located in our communities, which leverage the expertise of our interior designers, are generally used to showcase our homes and their distinctive design features. We have also introduced virtual reality walkthroughs of our house floor plans in certain communities to provide prospective homebuyers with a more cost-effective means to provide a realistic vision of our homes.

Many of our homes are sold on a built-to-order basis where we do not begin construction of the home until we have a signed contract with a customer. However, we also build speculative homes in most of our communities, which allow us to compete more effectively with existing homes available in the market, especially for homebuyers that require a home within a short time frame. We determine our speculative home strategy for each community based on local market factors and maintain a level of speculative home inventory based on our current and planned sales pace and construction cadence for the community.

Our sales contracts with customers generally require payment of a deposit at the time of contract signing and sometimes additional deposits upon selection of certain options or upgrade features for their homes. Our sales contracts also typically include a financing contingency that provides customers with the right to cancel if they cannot obtain mortgage financing at specified interest rates within a specified period. Our contracts may also include other contingencies, such as the sale of an existing home. Backlog, which represents orders for homes that have not yet closed, was $6.5 billion (10,153 units) at December 31, 2024 and $7.3 billion (12,146 units) at December 31, 2023. For orders in backlog, we have received a signed customer contract and customer deposit, which is refundable in certain instances. Of the orders in backlog at December 31, 2024, substantially all are scheduled to be closed during 2025, though all orders are subject to potential cancellation by or final negotiations with the customer. In the event of contract cancellation, the majority of our sales contracts stipulate that we have the right to retain the customer’s deposit, though we may choose to refund the deposit in certain instances.

Construction

The construction of our homes is conducted under the supervision of our on-site construction field managers. Substantially all of our construction work is performed by independent subcontractors under contracts that establish a specific scope of work at an agreed-upon price. Using a selective process, we have aligned with what we believe are premier subcontractors and suppliers to deliver quality throughout all aspects of the house construction process. In addition, our construction field managers and customer care associates interact with our homebuyers throughout the construction process and instruct homebuyers on post-closing home maintenance.

Continuous improvement in our house construction process is a key area of focus. We seek to build superior quality homes while maintaining efficient construction operations by using standard materials and components from a variety of sources and by following industry and company-specific construction practices. We maintain high quality product offerings and production processes through the following programs:

- Common management of house plans to deliver house designs that customers value the most and that can be built at the highest quality and at an efficient cost;
- Value engineering our house plans to optimize house designs in terms of material content and ease of construction while still providing a clear value to the customer;
- Utilizing our proprietary construction standards and practices, training of our field leadership and construction personnel, communication with our suppliers, and auditing our compliance through the use of both internal and third party construction experts; and
- Working with our suppliers using a data driven, collaborative method to reduce construction costs.

Generally, the construction materials used in our operations are readily available from numerous sources. However, the cost of certain building materials, especially lumber, steel, concrete, resin, copper, and petroleum-based materials, is influenced by changes in global commodity prices, national tariffs, and other trade factors. Additionally, the ability to consistently source qualified labor at reasonable prices remains challenging as labor supply growth has not kept pace with construction demand. To protect against changes in construction costs, labor and materials costs are generally established prior to or near the time when related sales contracts are signed with customers. In addition, we leverage our size by actively negotiating for certain materials on a national or regional basis to minimize costs. However, we cannot determine the extent to which necessary building materials and labor will be available at reasonable prices in the future. For example, labor shortages in certain of our markets have become more acute in recent years in response to industry growth and increased demand outpacing the growth of the residential construction labor pool. Additionally, the supply of certain building materials has been impacted by the combination of volatile consumer demand and periodic disruptions in the global supply chain. This volatility in demand, supply chain disruptions, and the consolidation of ownership of the source of supply for certain building materials have combined to increase the prices of those materials over time and could do so again in the future.

Competition

The housing industry in the U.S. is fragmented and highly competitive. While we are one of the largest homebuilders in the U.S., our national market share represented only approximately 4% of U.S. new home sales in 2024. In each of our local markets, there are numerous national, regional, and local homebuilders with whom we compete. Additionally, new home sales have traditionally represented less than 20% of overall U.S. home sales (new and existing homes). Therefore, we also compete with sales of existing house inventory and any provider of for-sale or rental housing units, including apartment operators. We compete primarily on the basis of location, price, quality, reputation, design, community amenities, and our customers' overall sales and homeownership experiences.

Seasonality

Although significant changes in market conditions have impacted our seasonal patterns in the past and could do so again, we have historically experienced variability in our quarterly results from operations due to the seasonal nature of the homebuilding industry. We generally experience increases in revenues and cash flow from operations during the fourth quarter based on the timing of home closings. This seasonal activity increases our working capital requirements in our third and fourth quarters to support our home production and loan origination volumes. As a result of the seasonality of our operations, our quarterly results of operations are not necessarily indicative of the results that may be expected for the full year. Additionally, given the disruption in economic activity, supply chain challenges, increase in mortgage interest rates, and other macroeconomic factors over the last several years, our quarterly results in 2024 and 2023 are not necessarily indicative of results that may be achieved in the future.

Regulation and environmental matters

Our operations are subject to extensive regulations imposed and enforced by various federal, state, and local governing authorities. These regulations are complex and include building codes, land zoning and other entitlement restrictions, health and safety regulations, labor practices, marketing and sales practices, environmental regulations, rules and regulations relating to mortgage financing and title operations, and various other laws, rules, and regulations. Collectively, these regulations have a significant impact on the site selection and development of our communities; our house design and construction techniques; our relationships with customers, employees, suppliers, and subcontractors; and many other aspects of our business. The applicable governing authorities frequently have broad discretion in administering these regulations, including inspections of our homes prior to closing with the customer in the majority of municipalities in which we operate. Additionally, we may experience extended timelines for receiving required approvals from municipalities or other government agencies that can delay our anticipated development and construction activities in our communities.

Financial Services Operations

We conduct our financial services business, which includes mortgage banking, title, and insurance agency operations, through Pulte Mortgage and other subsidiaries. Pulte Mortgage arranges financing through the origination of mortgage loans primarily for the benefit of our homebuyers. We are a lender approved by the Federal Housing Administration ("FHA") and Department of Veterans Affairs ("VA") and are a seller/servicer approved by Government National Mortgage Association ("Ginnie Mae"), Federal National Mortgage Association ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac"), and other investors. In our conventional mortgage lending activities, we follow underwriting guidelines established by Fannie Mae, Freddie Mac, and private investors. We believe that our customers' use of our in-house mortgage and title operations provides us with a competitive advantage by enabling more control over the quality of the overall home buying process for our customers, while also helping us align the timing of the house construction process with our customers' financing needs.

Operating through a captive business model targeted to supporting our Homebuilding operations, the business levels of our Financial Services operations are highly correlated to Homebuilding. Our Homebuilding customers continue to account for substantially all of our loan production. We originated the mortgage loans for 63% of the homes we closed in 2024, 61% in 2023, and 62% in 2022. Other home closings are settled via either cash or third party lenders. Cash buyers represented 21%, 22%, and 18% of home closings in 2024, 2023, and 2022, respectively.

In originating mortgage loans, we initially use our own funds, including funds available pursuant to credit agreements with third parties, and subsequently sell such mortgage loans to third party investors in the secondary market. Substantially all of the loans we originate are sold in the secondary market within a short period of time after origination, generally within 30 days. We also sell the servicing rights for the loans we originate through fixed-price servicing sales contracts to reduce the risks and costs inherent in servicing loans. This strategy results in owning the loans and related servicing rights for only a short period of time.

The mortgage industry in the U.S. is highly competitive. We compete with other mortgage companies and financial institutions to provide attractive mortgage financing to our homebuyers. We utilize a centralized fulfillment center for our mortgage operations that performs underwriting, processing, and closing functions. We believe centralizing both the fulfillment and origination of our loans improves the speed, efficiency, and quality of our mortgage operations, improving our profitability and allowing us to focus on providing attractive mortgage financing opportunities for our customers.

In originating and servicing mortgage loans, we are subject to the rules and regulations of the government-sponsored investors and other investors that purchase the loans we originate, as well as to those of other government agencies that have oversight of the government-sponsored investors or consumer lending rules in the U.S. In addition to being affected by changes in these programs, our mortgage banking business is also affected by many of the same factors that impact our homebuilding business.

Our mortgage operations may be responsible for losses associated with mortgage loans originated and sold to investors in the event of errors or omissions relating to representations and warranties made by us that the loans met certain requirements, including representations as to underwriting standards, the existence of primary mortgage insurance, and the validity of certain borrower representations in connection with the loan. If a loan is determined to be faulty, we either indemnify the investor for potential future losses, repurchase the loan from the investor, or reimburse the investor's actual losses.

Our subsidiary title insurance companies serve as title insurance agents and underwriters in select markets by providing title insurance policies and examination and closing services to buyers of homes we sell. Historically, we have not experienced significant claims related to our title operations.

Our insurance agency operations serve as an agency for home, auto, and other personal insurance policies in select markets to buyers of homes we sell. All such insurance policies are placed with third party insurance carriers.

Human Capital Resources

Workforce

At December 31, 2024, we employed 6,793 people, of which 1,094 were employed in our Financial Services operations. Of our homebuilding employees, 437 are involved in land acquisition and development functions; 2,442 are involved in construction and post-closing customer care functions; 1,453 are involved in the sales function; and 1,367 are involved in procurement, corporate, and other functions. Our employees are not represented by any union. Contracted work, however, may be performed by union contractors. We consider our employee relations to be good.

Compensation and Benefits

We offer our employees a competitive wage plus a broad range of Company-paid benefits, including medical, dental, and vision healthcare coverage, paid parental leave, adoption benefits, and a 401(k) retirement plan. The majority of our employees also participate in various performance-based incentive compensation plans. We believe that our compensation and benefits packages are competitive within our industry.

Culture and Objectives

Our key human capital management objectives are designed to attract, develop, and retain top talent. To support this goal, our human resources programs are designed to develop talent to prepare for key roles and leadership positions for the future; reward employees through competitive industry pay, benefits, and other programs; instill our culture with a focus on diversity and ethical behavior; and enhance our employees' performance through investment in technology, tools, and training to enable our employees to operate at a high level. Our commitment to the aforementioned goals is evidenced through our certification as a Great Place to Work®.

We believe that diversity in the workplace produces unique perspectives which serve to drive innovation and change, which we feel benefits the overall organization. We believe our employees are an integral part of the success of our business and the cultivation and development of their collective skillsets is an entity-wide priority and critical to our success. Our management teams are expected to exhibit and promote honest, ethical, and respectful conduct in the workplace. All of our employees must adhere to a code of ethical business conduct that sets standards for appropriate ethical behavior.

Recruitment and Retention

Our management team supports a culture of developing future leaders from our existing workforce, enabling us to promote from within for many leadership positions. We believe this provides long-term focus and continuity to our operations while also providing opportunities for the growth and advancement of our employees. Our focus on retention is evident in the length of service of our executive, area, and divisional management teams. The average tenure of our executive team and homebuilding area presidents is 16 years, and the average tenure of our homebuilding division presidents is 17 years.

Information About Our Executive Officers

Set forth below is certain information with respect to our executive officers.

Name	Age	Position	Year Became An Executive Officer
Ryan R. Marshall	50	President and Chief Executive Officer	2012
Matthew W. Koart	61	Executive Vice President and Chief Operating Officer	2023
Robert T. O'Shaughnessy	59	Executive Vice President and Chief Financial Officer	2011
Todd N. Sheldon	57	Executive Vice President, General Counsel and Corporate Secretary	2017
Kevin A. Henry	57	Executive Vice President and Chief People Officer	2023
James L. Ossowski	56	Senior Vice President, Finance	2025
Brien P. O'Meara	52	Vice President and Controller	2020

The following is a brief account of the business experience of each executive officer during the past five years:

Mr. Marshall was appointed President in February 2016 and was additionally appointed Chief Executive Officer in September 2016.

Mr. Koart was appointed Executive Vice President and Chief Operating Officer in May 2023. Prior to joining our Company, he served as Chief Executive Officer of Koart Residential, Inc., a California residential developer, from December 2011 to May 2023.

Mr. O'Shaughnessy was appointed Executive Vice President and Chief Financial Officer in May 2011. In July 2024, the Company disclosed that Mr. O’Shaughnessy notified the Company of his intention to retire. Pursuant to the terms of his retirement, he is expected to continue to serve as the Company’s Chief Financial Officer until February 7, 2025 (the “Transition Date”) and is expected to remain at the Company as Executive Vice President until the end of 2025. At the same time, the Company announced that Mr. Ossowski would succeed Mr. O'Shaughnessy and be promoted to the roles of Executive Vice President and Chief Financial Officer, effective as of the Transition Date.

Mr. Sheldon was appointed Executive Vice President, General Counsel and Corporate Secretary in March 2017.

Mr. Henry was appointed Executive Vice President and Chief People Officer in June 2023. Prior to joining our Company, he served as Chief People Officer at BlueLinx Corporation, a publicly-traded building product distributor, from March 2022 to June 2023 and, previously, the Chief People Officer at Extended Stay America, a national operator of extended stay hotels, from August 2014 to February 2022.

Mr. Ossowski was appointed Senior Vice President, Finance in February 2017. In July 2024, the Company announced that Mr. Ossowski would succeed Mr. O'Shaughnessy and be promoted to the roles of Executive Vice President and Chief Financial Officer, effective as of the Transition Date.

Mr. O'Meara was appointed Vice President and Controller in February 2017 and was designated the Company's principal accounting officer in February 2020.

There is no family relationship between any of our executive officers or between any of our executive officers and any of our directors. Each executive officer serves at the pleasure of the Board of Directors.

ITEM 1A. RISK FACTORS

Discussion of our business and operations included in this Annual Report on Form 10-K should be read together with the risk factors set forth below. They describe various risks and uncertainties to which we are, or may become, subject. These risks and uncertainties, together with other factors described elsewhere in this report, have the potential to affect our business, financial condition, results of operations, cash flows, strategies, or prospects in a material and adverse manner.

Risks Associated With Our Industry

Increases in interest rates, reductions in mortgage availability, or other increases in the effective costs of owning a home have prevented potential customers from buying our homes and adversely affected our business and financial results.

A large majority of our customers finance their home purchases through mortgage loans, many through Pulte Mortgage. Increases in interest rates can adversely affect the market for new homes, as potential homebuyers may be less willing or able to pay the increased monthly costs resulting from higher interest rates or to obtain mortgage financing. Up until 2022, mortgage interest rates in recent years had been at or near historic lows, thereby making new homes more affordable. However, in the second quarter of 2022, in response to the Federal Reserve's increases to the federal funds rate as part of their effort to reduce inflation, mortgage rates increased, reaching their highest levels since 2008. Despite recent interest rate cuts by the Federal Reserve beginning in September 2024, interest rates have remained elevated. Ongoing volatility in interest rates may negatively impact our operations and financial results.

A decrease in the availability of mortgage financing generally could also adversely impact the market for new homes, which could result from lenders increasing the qualifications needed for mortgages or adjusting their terms to address any increased credit risk. Even if potential customers do not need financing, changes in interest rates and mortgage availability could make it harder for them to sell their current homes to potential buyers who need financing. These factors could adversely affect the sales or pricing of our homes and could also reduce the volume or margins in our financial services business. Our financial services business could also be impacted to the extent we are unable to match interest rates and amounts on loans we have committed to originate through the various hedging strategies we employ. These developments have historically had, and may in the future have, a material adverse effect on the overall demand for new housing and thereby on the results of operations of our business.

The liquidity provided by Fannie Mae and Freddie Mac to the mortgage industry is also critical to the housing market. The impact of the federal government’s conservatorship of Fannie Mae and Freddie Mac on the short-term and long-term demand for new housing remains unclear. Any limitations or restrictions on the availability of financing by these agencies could adversely affect interest rates, mortgage financing, and our sales of new homes and mortgage loans. Additionally, the availability of FHA and VA mortgage financing, which is subject to the same interest rate and lending term risks, is an important factor in marketing some of our homes, and reduced availability of these financing options could negatively impact our results of operations.

The homebuilding industry is cyclical and deteriorations in industry conditions or downward changes in general economic or other business conditions have historically affected our business and financial results and could do so in the future.

The residential homebuilding industry is sensitive to changes in economic conditions and other factors, such as the level of employment, consumer confidence, consumer income, product affordability, availability of financing, inflation, and interest rate levels. As we have seen with elevated inflation and interest rates the last three years, adverse changes in any of these conditions generally, or in the markets where we operate, can decrease demand and pricing for new homes and result in customer cancellations of pending contracts, which could adversely affect the number of home deliveries we make or reduce the prices we can charge for homes, either of which could result in a significant decrease in our revenues and earnings that could materially and adversely affect our financial condition.

For example, beginning in 2006 and continuing through 2011, the U.S. housing market was unfavorably impacted by severe weakness in new home sales attributable to, among other factors, weak consumer confidence, tightened mortgage standards, significant foreclosure activity, a more challenging appraisal environment, higher than normal unemployment levels, and significant uncertainty in the global economy. During this period, we incurred significant losses, including impairments of our land inventory and certain other assets, and some aspects of the housing industry have yet to return to pre-2007 production levels. Beginning in 2020, the COVID-19 pandemic also impacted our business and resulted in a significant slowdown in our business and impacts to our financial results, followed by historically high inflation, increased interest rates and weaker economic conditions all of which impacted the affordability of our homes and consumer sentiment. In addition, over the last three years, the U.S. economy experienced significant inflation and mortgage and other interest rate increases, which negatively impacted home affordability and consumer sentiment and created some volatility in demand for new housing.

Inflation has resulted in increased costs that we may not be able to recoup and has impacted home affordability and consumer sentiment.

Inflation can adversely affect us by increasing costs of land, materials, and labor. In addition, significant inflation is often accompanied by higher interest rates, which recently have had a negative impact on demand for our homes. In an inflationary environment like the one we have experienced in recent years, economic conditions and other market factors may make it difficult for us to raise home prices enough to keep up with the rate of inflation, which could reduce our profit margins or reduce the number of consumers who can afford to purchase one of our homes. Heightened labor and material prices resulting from inflation have increased operational costs in recent years. If the inflationary environment in recent years continues or worsens, we may not be able to adjust the pricing we charge for homes to offset these increased costs in the future, which would adversely impact our results of operations and cash flows. In addition, inflation through the broader economy, especially when combined with higher mortgage interest rates, has negatively impacted home affordability and consumer sentiment and created some volatility in demand for new housing.

Supply shortages and other risks related to the demand for skilled labor and building materials increased costs and delayed deliveries and could continue to do so.

The homebuilding industry is highly competitive for skilled labor. Labor shortages have continued to limit the availability of construction labor. Additionally, the supply of certain building materials, especially lumber, wood-based materials such as roof and floor trusses and oriented strand boards, steel, resin, concrete, copper, and petroleum-based materials, is limited and has been impacted by the combination of strong consumer demand, disruptions in the global supply chain, and major weather events at the point of manufacture of certain products. Supply constraints can also be further exacerbated by government policies that make it more difficult and/or expensive for suppliers to produce materials needed for our business. For instance, changes in laws, government regulations, or enforcement priorities, such as the imposition of tariffs (in particular on materials imported from Canada or Mexico) or other import or export restrictions, penalties or sanctions, including modification or elimination of international agreements covering trade or investment, or changes in immigration laws and/or their enforcement, could result in higher component costs, tighter overall labor conditions and a shortage of skilled tradespeople, which could in turn adversely affect our business. Several of these factors, along with the consolidation of ownership of the source of supply for certain building materials, have resulted in increases to the prices of some materials. Increased costs and shortages of labor and materials can cause increases in construction costs, and construction delays. We may not be able to pass on increases in construction costs to customers and generally are unable to pass on any such increases to customers who have already entered into sales contracts as those sales contracts generally fix the price of the home at the time the contract is signed, which may be well in advance of the construction of the home. Sustained increases in construction costs may, over time, erode our margins, and pricing competition may restrict our ability to pass on any such additional costs, thereby decreasing our margins.

Our success depends on our ability to acquire land suitable for residential homebuilding in accordance with our land investment criteria.

The homebuilding industry is highly competitive for suitable land. The availability of finished and partially finished lots and undeveloped land for purchase that meet our internal criteria depends on a number of factors outside our control, including land availability in general, competition with other homebuilders and land buyers for desirable property, inflation in land prices, zoning, allowable housing density, and other regulatory requirements. Should suitable lots or land become less available, the number of homes we may be able to build and sell could be reduced, and the cost of land could be increased, perhaps substantially, which could adversely impact our results of operations.

Our long-term ability to build homes depends on our acquiring land suitable for residential building at reasonable prices in locations where we want to build. We experience significant competition for suitable land as a result of land constraints in many of our markets. As competition for suitable land increases, and as available land is developed, the cost of acquiring suitable land could rise, and the availability of suitable land at acceptable prices may decline. Any land shortages or any decrease in the supply of suitable land at reasonable prices could limit our ability to develop new communities or result in increased land costs. We may not be able to pass through to our customers any increased land costs, which could adversely impact our earnings and margins.

If the market value of our land drops significantly, our profits could decrease and result in write-downs of the carrying values of land we own.

The market value of land can fluctuate significantly as a result of changing market conditions, and the measures we employ to manage inventory risk may not be adequate to insulate our operations from a severe drop in inventory values. We acquire land for expansion into new markets and for replacement of land inventory and expansion within our current markets. If housing demand decreases below what we anticipated when we acquired our inventory, we may not be able to make profits similar to what we have made in the past, we may experience less-than-anticipated profits, and/or we may not be able to recover our costs when we sell and build homes. When market conditions are such that land values are not appreciating, land option arrangements previously entered into may become less desirable, at which time we may elect to forgo deposits and pre-acquisition costs and terminate the agreements. In the face of adverse market conditions, we may have substantial inventory carrying costs, we may have to write down our inventory to its fair value, and/or we may have to sell land or homes at a loss. At times we have been required to record significant write-downs of the carrying value of our land inventory and we have elected not to exercise options to purchase land, even though that required us to forfeit deposits and write-off pre-acquisition costs. If market conditions were to deteriorate in the future, we could elect not to execute additional options and again be required to record significant write downs to our land inventory, which would decrease the asset values reflected on our balance sheet and could materially and adversely affect our earnings and our shareholders' equity.

Competition for homebuyers could reduce our deliveries or decrease our profitability.

The U.S. housing industry is highly competitive. Homebuilders compete for homebuyers in each of our markets with numerous national, regional, and local homebuilders on the basis of location, price, quality, reputation, design, community amenities, and our customers' overall sales and homeownership experiences. This competition with other homebuilders could reduce the number of homes we deliver or cause us to accept reduced margins to maintain sales volume.

We also compete with resales of existing or foreclosed homes, housing speculators, and available rental housing. Increased competitive conditions in the residential resale or rental market in the regions where we operate could decrease demand for new homes or unfavorably impact pricing for new homes.

An inability to accurately predict customer preferences or demand, or to respond effectively to technological developments, including artificial intelligence, could materially impact the business.

Our development, integration, and use of artificial intelligence (“AI”) technology in our operations remains in the early phases. We have started to assess the use of AI technology to drive productivity and analyze data. While we aim to develop, integrate, and use AI responsibly, we may ultimately be unsuccessful in identifying or resolving issues, such as accuracy, cybersecurity risks, unintended biases, and discriminatory outputs, before they arise. AI is a new and emerging technology in early stages of commercial use and presents a number of risks inherent in its use, including, but not limited to, ethical considerations, public perception, intellectual property protection, regulatory compliance, privacy concerns, and data security, all of which could have a material adverse effect on our business, results of operations, and financial position. As a result, we cannot predict future developments in AI and related impacts to our business and our industry. If we are unable to successfully and accurately develop, integrate, and use AI technology, as well as address the risks and challenges associated with AI, our business, results of operations, and financial position could be negatively impacted. Additionally, if the content, analyses, or recommendations that AI applications assist in producing are or are alleged to be deficient, inaccurate, or biased, our reputation, business, financial condition, and results of operations may be adversely affected.

Government regulations could increase the cost and limit the availability of our development and homebuilding projects or affect our related Financial Services operations and adversely affect our business or financial results.

Our operations are subject to building, safety, environmental, and other regulations imposed and enforced by various federal, state, and local governing authorities. New housing developments may also be subject to various assessments for schools, parks, streets, and other public improvements. These assessments have increased over recent years as other funding mechanisms have decreased, causing local governing authorities to seek greater contributions from homebuilders. All of these factors have caused and could in the future cause an increase in the effective cost of our homes.

We also are subject to a variety of local, state, and federal laws and regulations concerning protection of health, safety, and the environment, including laws and regulations relating to the disclosure of certain information relating to the environmental impact of our operations. The impact of environmental laws on our operations varies depending upon the prior uses of the building site or adjoining properties and may be greater in areas with less supply where undeveloped land or desirable alternatives are less available. These matters may result in delays, may cause us to incur substantial compliance, remediation and other costs, and could prohibit or severely restrict development and homebuilding activity in environmentally sensitive regions or areas. More stringent requirements could be imposed in the future on homebuilders, developers, and financial services companies, thereby increasing the cost of compliance.

Our Financial Services operations are also subject to numerous federal, state, and local laws and regulations. These include eligibility requirements for participation in federal loan programs and compliance with consumer lending and similar requirements such as disclosure requirements, prohibitions against discrimination, and real estate settlement procedures. They also subject our operations to examination by applicable agencies, pursuant to which those agencies may limit our ability to provide mortgage financing or title services to potential purchasers of our homes. For example, for our homes to qualify for FHA or VA mortgages, we must satisfy valuation standards and site, material, and construction requirements of those agencies.

Homebuilding is subject to warranty and other claims in the ordinary course of business that can be significant.

As a homebuilder, we are subject to home warranty, construction defect, and other claims arising in the ordinary course of business. We rely on subcontractors to perform the actual construction of our homes and, in some cases, to select and obtain building materials. Despite our detailed specifications and quality control procedures, in limited cases, subcontractors may use improper construction processes or defective materials. In such cases, it can result in the need to perform repairs to homes. We record warranty and other reserves relating to the homes we sell based on historical experience in our markets.

We have, and require our subcontractors to have, general liability, property, errors and omissions, workers compensation, and other business insurance. These insurance policies protect us against a portion of our risk of loss from claims, subject to certain self-insured per occurrence and aggregate retentions, deductibles, and available policy limits. In certain instances, we may offer our subcontractors the opportunity to purchase insurance through one of our captive insurance subsidiaries or participate in a project-specific insurance program sponsored by us. Policies issued by our captive insurance subsidiaries represent self-insurance of these risks by us. We reserve for costs to cover our self-insured and deductible amounts under these policies and for any costs of claims and lawsuits based on actuarial analyses of our historical claims, which include estimates of claims incurred but not yet reported. Our insurance coverage, our subcontractor arrangements, and our reserves may not be adequate to address all our warranty and construction defect claims in the future, and there is typically a lag between our payment of claims and reimbursements from applicable insurance carriers. Contractual indemnities can be difficult to enforce, we may be responsible for applicable self-insured retentions, and some types of claims may not be covered by insurance or may exceed applicable coverage limits. Additionally, the coverage offered by and the availability of general liability insurance for construction defects have become more costly and limited. There can be no assurance that coverage will not be further restricted, become more costly, or even become unavailable in the future. Additionally, we are exposed to counterparty default risk related to our subcontractors, our insurance carriers, and our subcontractors’ insurance carriers.

We can be injured by improper acts of persons over whom we do not have control or by the attempt to impose liabilities or obligations of third parties on us.

Although we expect all of our subcontractors, employees, officers, and directors to comply at all times with all applicable laws, rules, and regulations, there may be instances in which subcontractors or others through whom we do business engage in practices that do not comply with applicable laws, regulations, or governmental guidelines. When we learn of practices that do not comply with applicable laws, regulations, or government guidelines, including practices relating to homes, buildings, or multifamily properties we build or finance, we endeavor to move to stop the non-complying practices as soon as possible, and we have taken disciplinary action regarding subcontractors and employees of ours who were aware of non-complying practices and did not take steps to address them, including in some instances terminating their employment or engagement. However, regardless of the steps we take after we learn of practices that do not comply with applicable laws, regulations, or government guidelines, we can in some instances be subject to fines or other governmental penalties, and our reputation can be injured, due to the practices having taken place.

The homes we sell are built by employees of subcontractors and other contract parties. We do not have the ability to control what these contract parties pay their employees or subcontractors or the work rules they impose on their employees or subcontractors. However, various governmental agencies have attempted to hold contract parties like us responsible for violations of wage and hour laws and other work-related laws by firms whose employees are performing contracted services. Governmental rulings or changes in state or local laws that make us responsible for labor practices by our subcontractors could create substantial exposures for us in situations that are not within our control.

Natural disasters, severe weather conditions and changing climate patterns could delay deliveries, increase costs, and decrease demand for new homes in affected areas.

Our Homebuilding operations are located in many areas that are subject to natural disasters and severe weather. The occurrence of natural disasters or severe weather conditions can delay new home deliveries, increase costs by damaging inventories, reduce the availability of materials, and negatively impact the demand for new homes in affected areas. For instance, in recent years, hurricanes have caused significant disruptions in Florida and our Southeastern markets but did not result in a material impact to our results of operations. In addition, the increased prevalence of forest fires in recent years in our western markets has caused disruptions to our sales operations and development delays, and significant weather events have contributed to plant closures and transportation delays that have exacerbated stress on our supply chain. Furthermore, if our insurance does not fully cover business interruptions or losses resulting from these events, our earnings, liquidity, or capital resources could be adversely affected.

The impact of climate change and climate change or other governmental regulation may adversely impact our business.

In addition to more frequent extreme weather events, global climate change can also impact our operations through extensive governmental policy developments and shifts in consumer sentiment, which have the potential individually or collectively to significantly disrupt our business as well as negatively affect our suppliers, independent contractors, and customers. For instance, the requirement to modify our home designs mandated by upgraded building codes or recommended practices given a region’s particular exposure to climate conditions can increase our costs, which we may not be able to recoup by increasing the price of our homes. Government restrictions, standards, or regulations intended to reduce greenhouse gas emissions or potential climate change impacts are also likely to result in restrictions on land development in certain areas and may increase energy, transportation, or raw material costs, which could reduce our housing gross profit margins and adversely affect our results of operations. For example, as the risk of flooding in coastal and other flood prone areas increases or the results of climate change result in water scarcity, local governments may increase the requirements on new home builders for zoning approvals and restrict areas where new homes may be built, resulting in increased development costs and greater competition for more desirable land parcels. In addition, as local governmental authorities and utilities are required to spend increasing amounts of their resources responding to and remediating weather and climate-related events, their ability to provide approvals and service to new housing communities may be impaired.

Risks Related to Our Business Model and Capital Structure

Adverse capital and credit market conditions may significantly affect our access to capital and cost of capital.

The capital and credit markets can experience significant volatility. We may need credit-related liquidity for the future development of our business and other capital needs. Without sufficient liquidity, we may not be able to purchase additional land or develop land, which could adversely affect our financial results. At December 31, 2024, we had cash, cash equivalents, and restricted cash of $1.7 billion as well as $928.9 million available under our revolving credit facility ("Revolving Credit Facility"). However, our internal sources of liquidity and Revolving Credit Facility may prove to be insufficient, and, in such case, we may not be able to successfully obtain additional financing on terms acceptable to us, or at all.

Another source of liquidity is our ability to use letters of credit and surety bonds relating to certain performance-related obligations and as security for certain land option agreements and insurance programs. The majority of these letters of credit and surety bonds are in support of our land development and construction obligations to various municipalities, other government agencies, and utility companies related to the construction of roads, sewers, and other infrastructure. At December 31, 2024, we had outstanding letters of credit and surety bonds totaling $321.1 million and $2.9 billion, respectively. These letters of credit are generally issued via our unsecured Revolving Credit Facility, which contains certain financial covenants and other limitations. If we are unable to obtain letters of credit or surety bonds when required, or the conditions imposed by issuers increase significantly, our liquidity and cost of operations could be adversely affected.

Our income tax provision and tax reserves may be insufficient if a taxing authority is successful in asserting positions that are contrary to our interpretations and related reserves, if any.

Significant judgment is required in determining our provision for income taxes and our reserves for federal, state, and local taxes. In the ordinary course of business, there may be matters for which the ultimate outcome is uncertain. Our evaluation of our tax matters is based on a number of factors, including relevant facts and circumstances, applicable tax law, correspondence with tax authorities during the course of audits, and effective settlement of audit issues. Although we believe our approach to determining the tax treatment for such items is appropriate, no assurance can be given that the final tax authority review will not be materially different than that which is reflected in our income tax provision and related tax reserves. Such differences could have a material adverse effect on our income tax provision in the period in which such determination is made and, consequently, on our financial position, cash flows, or net income.

We are periodically audited by various federal, state, and local authorities regarding tax matters. Our current audits are in various stages of completion; however, no outcome for a particular audit can be determined with certainty prior to the conclusion of the audit, appeal, and, in some cases, litigation process. As each audit is concluded, adjustments, if any, are recorded in our financial statements in the period determined. To provide for potential tax exposures, we consider a variety of factors, including those described above in relation to our evaluation of tax matters. If these reserves are insufficient upon completion of an audit, there could be an adverse impact on our financial position, cash flows, and results of operations.

We may not realize our deferred tax assets.

As of December 31, 2024, we had deferred tax assets of $77.4 million, against which we provided a valuation allowance of $22.4 million. The ultimate realization of our deferred tax assets is dependent upon generating future taxable income. While we have recorded valuation allowances against certain of our deferred tax assets, the valuation allowances are subject to change as facts and circumstances change.

Our ability to utilize net operating losses (“NOLs”) and other tax attributes to offset our future taxable income or income tax would be limited if we were to undergo an “ownership change” within the meaning of Section 382 of the Internal Revenue Code ("Section 382"). An "ownership change" under Section 382 would establish an annual limitation to the amount of NOLs and other tax attributes we could utilize to offset our taxable income or income tax in any single year. The application of these limitations might prevent full utilization of the deferred tax assets. To preserve our ability to utilize NOLs and other tax attributes in the future without a Section 382 limitation, we adopted a shareholder rights plan (the “Rights Plan”), which is triggered upon certain transfers of our securities, and amended our by-laws to prohibit certain transfers of our securities. The Rights Plan, as amended, expires June 1, 2025, unless our Board of Directors and shareholders approve an amendment to extend the term prior thereto. At a meeting of the Board of Directors held on February 5, 2025, due to the limited NOLs and other tax attributes remaining that would be affected by an “ownership change” under Section 382, the Board of Directors determined not to approve an amendment to extend the term of the Rights Plan beyond its expiration date of June 1, 2025 and determined to consider, at a future meeting of the Board of Directors, amendments to the provisions of the Company’s by-laws that prohibit certain transfers of our securities. Notwithstanding the foregoing measures, and in particular if they are no longer in place, there can be no assurance that we will not undergo an ownership change within the meaning of Section 382 at a time when NOLs and other tax attributes that would be affected by an “ownership change” under Section 382 exist. In addition, our Rights Plan, while in effect, may adversely affect the marketability of our common stock, because any non-exempt third party that acquires shares of our common stock in excess of the applicable threshold would suffer substantial dilution of its ownership interest.

The value of our deferred tax assets and liabilities are also dependent upon the tax rates expected to be in effect at the time they are realized. A change in enacted corporate tax rates in our major jurisdictions, especially the U.S. federal corporate tax rate, would change the value of our deferred taxes, which could be material.

Our inability to sell mortgages into the secondary market could significantly reduce our ability to sell homes unless we are willing to become a long-term investor in loans we originate.

We sell substantially all of the residential mortgage loans we originate within a short period in the secondary mortgage market. If we were unable to sell loans into the secondary mortgage market or directly to Fannie Mae and Freddie Mac, we would have to either (a) curtail our origination of residential mortgage loans, which, among other things, could significantly reduce our ability to sell homes, or (b) commit our own funds to long-term investments in mortgage loans, which, in addition to requiring us to deploy substantial amounts of our own funds, could delay the time when we recognize revenues from home sales on our statements of operations.

We are subject to claims related to mortgage loans we sold in the secondary mortgage market that may be significant.

Our mortgage operations may be responsible for losses arising out of claims associated with mortgage loans originated and sold to investors in the event of errors or omissions relating to certain representations and warranties made by us that the loans met certain requirements, including representations as to underwriting standards, the type of collateral, the existence of primary mortgage insurance, and the validity of certain borrower representations in connection with the loan. To date, the significant majority of these claims made by investors against our mortgage operations relate to loans originated prior to 2009, during which time inherently riskier loan products became more common in the origination market. We may also be asked to indemnify underwriters that purchased and securitized loans originated by a former subsidiary of Centex Corporation ("Centex"), which we acquired in 2009, for losses incurred by investors in those securitized loans based on similar breaches of representations and warranties.

The resolution of claims related to alleged breaches of these representations and warranties and repurchase claims could have a material adverse effect on our financial condition, cash flows and results of operations. Given the unsettled nature of these claims, changes in values of underlying collateral over time, and other uncertainties regarding the ultimate resolution of these claims, actual costs could differ from our current estimates. Accordingly, there can be no assurance that such reserves will not need to be increased in the future.

We are implementing a new enterprise resource planning system, and challenges with the implementation of the system may impact our business and operations.

We are beginning the process of a multi-year implementation of a new enterprise resource planning system (“ERP”). The ERP implementation will require the integration of the new ERP with multiple new and existing information systems and business processes, and will be designed to accurately maintain our books and records and provide information to our management teams important to the operation of the business. Our ERP implementation will continue to require ongoing maintenance and monitoring. Conversion from our old system to the new ERP may cause inefficiencies until the ERP is stabilized and mature. The implementation of our new ERP will mandate new procedures and certain modifications to our disclosure controls and procedures and internal control over financial reporting and it will take time for such procedures and controls to become mature in their operation. If we are unable to adequately implement and maintain procedures and controls relating to our new ERP, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired and impact our assessment of the effectiveness of our internal controls over financial reporting. The ERP implementation is costly and may not ultimately result in the operational benefits to the Company that are currently anticipated.

General Risk Factors

Information technology failures or data security breaches could harm our business and result in substantial costs.

We use information technology and other computer resources to conduct important operational activities and to maintain our business records. Our computer systems, including our back-up systems, are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, security breaches (through cyber-attacks from computer hackers and sophisticated organizations), catastrophic events such as fires, tornadoes and hurricanes, usage errors by our employees, or cyber-attacks or errors by third party vendors who could gain access to our confidential data or that of our customers, vendors, or employees. In particular, the frequency, severity and novelty of cyber-attacks on companies has increased significantly in recent years, including significant ransomware attacks and foreign attacks on prominent companies and computer software programs, as threat actors become increasingly sophisticated and employ techniques, including malicious uses of AI such as deepfakes, to launch attacks that are increasingly difficult to detect and defend against. We, like many organizations, have experienced and expect to continue to experience varying degrees of cybersecurity incidents in the course of our business, including phishing and social engineering intrusions which could lead, in turn, to ransomware attacks or other incidents that could impact our business.

While to our knowledge we have not experienced a significant cybersecurity incident that has materially affected our business strategy, results of operations or financial condition in the last three years, and we are frequently working to improve our information technology systems and provide employee awareness training around phishing, malware, and other cyber risks to enhance our levels of protection, to the extent possible, against cyber risks and security breaches, and to enhance our monitoring to prevent, detect, contain, address, and mitigate the risk of unauthorized access, misuse, computer viruses, and other events that could have an impact on our business, there is no assurance that advances in computer capabilities, new technologies, methods, or other developments will detect or prevent security breaches and safeguard access to proprietary or confidential information or otherwise prevent material consequences for our business and reputation.

If our computer systems and our back-up systems are damaged, breached, or cease to function properly, or if there are intrusions or failures of critical infrastructure such as the power grid or communications systems, we could suffer extended interruptions in our operations. Any such disruption could damage our reputation, result in lost customers, lost revenue, and market value declines, lead to legal proceedings against us by affected third parties resulting in penalties or fines, result in government investigations or related inquiries, and require us to incur significant costs to remediate or otherwise resolve these issues. In addition to direct cyber-attacks on, or other disruptions of, our systems, cyber-attacks on, or other disruptions of, the systems of our suppliers, financial service companies, service providers, and other parties on which we rely to conduct our business can result in their inability to provide services to us and impact our ability to conduct our business in the ordinary course.

Breaches of our computer or data systems, including those operated by third parties on our behalf, could also result in the unintended public disclosure or the misappropriation of our proprietary information or personal and confidential information, about our employees, customers, and business partners, requiring us to incur significant expense to address and resolve. Improper conduct by our employees who have access to such information could also result in the misuse of such information. The misappropriation and/or release of confidential information may also lead to legal or regulatory proceedings against us by affected individuals or otherwise, and the outcome of such proceedings could include penalties or fines and require us to incur significant costs to remediate or otherwise resolve. Depending on its nature, a particular breach or series of breaches of our systems may result in the unauthorized use, appropriation or loss of confidential or proprietary information on a one-time or continuing basis, which may not be detected for a period of time.

The costs of maintaining adequate protection and insurance against such threats, as they develop in the future (or as legal requirements related to data security increase), could be material. While we currently have insurance coverage for losses incurred as a result of cyber-attacks, there is no assurance that future coverage will not be restricted or become more costly. In addition, there is no assurance that any such insurance would make us whole for any losses incurred by our Company. If we suffer cybersecurity incidents or data security issues in the future, we could suffer material liabilities, our reputation could be materially damaged, and our operations could be materially disrupted.

Negative publicity could negatively impact sales, which could cause our revenues or results of operations to decline.

Our business strategy relies heavily on our reputation and brands, which are critical to our success. Unfavorable media or investor and analyst reports related to our industry, Company, brand, marketing, personnel, operations, business performance, or prospects may affect our stock price and the performance of our business, regardless of their accuracy or inaccuracy. Furthermore, the speed at which negative publicity is disseminated has increased dramatically through the use of electronic communication, including social media outlets, websites and other digital platforms. Our success in maintaining and enhancing our brand depends on our ability to adapt to this rapidly changing media environment. Adverse publicity or negative commentary from any media outlets could damage our reputation and reduce the demand for our homes, which would adversely affect our business.

We can also be affected by poor relations with the residents of communities we develop because efforts made by us to resolve issues or disputes that may arise in connection with the operation or development of their communities, or in connection with the transition of a homeowners association, could be deemed unsatisfactory by the affected residents and subsequent actions by these residents could adversely affect sales or our reputation. In addition, we could decide or be required to make material expenditures related to the settlement of such issues or disputes, which could adversely affect our results of operations.

The loss of the services of members of our senior management or a significant number of our operating employees could negatively affect our business.

Our success depends upon the skills, experience, and active participation of our senior management, many of whom have been with the Company for a significant number of years. If we were to lose members of our senior management, we might not be able to find appropriate replacements on a timely basis, and our operations could be negatively affected. Also, the loss of a significant number of operating employees in key roles or geographies where we are not able to hire qualified replacements could have a material adverse effect on our business.

We have significant intangible assets. If these assets become impaired, then our profits and shareholders' equity may be reduced.

We have significant intangible assets related to business combinations. If the carrying value of intangible assets is deemed impaired, the carrying value is written down to fair value. This would result in a charge to our earnings. If management's expectations of future results and cash flows decrease significantly, impairments of intangible assets may occur.

Our business was materially and adversely disrupted by the outbreak and worldwide spread of COVID-19 and could be materially and adversely disrupted by another epidemic or pandemic like COVID-19, or similar public threat, or fear of such an event, and the measures that international, federal, state and local governments, agencies, law enforcement and/or health authorities implement to address it.

Any epidemic, pandemic, or similar serious public health issue, and the measures undertaken by governmental authorities to address it, could significantly disrupt or prevent us from operating our business in the ordinary course for an extended period. As a result, the impact of such public health issues and the related governmental actions could have a significant adverse impact on our consolidated financial statements. Our business was previously materially and adversely impacted by events related to the COVID-19 pandemic and related macroeconomic impacts, including inflation, labor shortages, and supply chain disruptions, and our business could be materially and adversely disrupted by another epidemic or pandemic like COVID-19, or similar public threat, or fear of such an event, and the measures that international, federal, state, and local governments, agencies, law enforcement, and/or health authorities implement to address it.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

We have established processes and policies for assessing, identifying, and managing material risks posed by cybersecurity threats. Our processes and policies are designed to be based upon the National Institute of Standards and Technology (NIST) Cybersecurity Framework with our processes focused on: (i) developing organizational understanding to manage cybersecurity risks, (ii) applying safeguards to protect our systems, (iii) detecting the occurrence of a cybersecurity incident, (iv) responding to a cybersecurity incident and (v) recovering from a cybersecurity incident. Where appropriate, these processes and policies are integrated into our overall risk management systems and processes. For instance, all of our employees with network access are required to complete information security and privacy training on an annual basis. We are also frequently working to improve our information technology systems and provide employee awareness training around phishing, malware, and other cyber risks to enhance our levels of protection. We have engaged independent consultants and other third-parties to assist us in establishing and improving our policies. We conduct tabletop simulation exercises with outside consultants at least annually to test our processes and policies and use feedback from those exercises to improve our processes. Our senior management team members are active participants in each of those exercises, and members of the Audit Committee of our Board of Directors have participated in some of those exercises as well. Our processes and policies include the identification of those third-party relationships that have the greatest potential to expose us to cybersecurity threats and, upon identification, we conduct additional due diligence as a part of establishing those relationships. We also maintain insurance coverage for cybersecurity matters as part of our overall insurance portfolio. For additional information concerning cybersecurity risks we face to our business strategy, results of operations and financial condition, see Item 1A Risk Factors – Information technology failures or data security breaches could harm our business and result in substantial costs.

Governance

Cybersecurity and risks related to our information technology and other computer resources are an important focus of our Board of Directors' risk oversight. Our Audit Committee receives materials on a frequent basis to address the identification and status of information technology cybersecurity risks, and management, including our Chief Information Officer ("CIO") and Chief Information Security Officer ("CISO"), provides quarterly updates to our Audit Committee and an update to our Board of Directors at least annually with respect to cybersecurity matters. Our Audit Committee regularly reviews and discusses with management the strategies, processes, procedures, and controls pertaining to the management of the Company's information technology operations, including cybersecurity risks. This enables management to provide oversight, set risk tolerances, and support a comprehensive cybersecurity program that manages material cybersecurity risks to the Company.

Aspects of the information systems of our Homebuilding operations and our Financial Services operations are separate and distinct, and, prior to the third quarter of 2024, each operation had a separate CIO and CISO. In August of 2024, our information technology operations were centralized under a single CIO and a single CISO, each with enterprise-wide responsibilities. Our CISO reports to our CIO and is responsible for managing the information security team and working to ensure the team is assessing and managing cybersecurity risks in accordance with our processes and procedures. Our CIO has over 30 years' experience managing enterprise information technology systems. Our CISO has over 25 years' experience working in information technology and cybersecurity roles and is a certified information security manager as certified by the Information Systems Audit and Control Association (ISACA).

Pursuant to our Cybersecurity Incident Response Plan ("CIRP"), when a cybersecurity event has been identified through our detection processes, it is assessed in order to determine whether the event is a cybersecurity incident. Our CIRP designates the primary manager of a cybersecurity incident, describes the parties who should be informed about the incident, and outlines the processes for containment, eradication, recovery, and resolution of the incident. Depending on the severity and impact of a cybersecurity threat, members of our senior management team and Board of Directors are notified of an incident and kept informed of the mitigation and remediation of the incident. We are not aware of any material cybersecurity incidents in the last three years.

ITEM 2. PROPERTIES

Our homebuilding and corporate headquarters are located in leased office facilities at 3350 Peachtree Road NE, Suite 1500, Atlanta, Georgia 30326. Pulte Mortgage leases its primary office facilities in Englewood, Colorado. We also maintain various support functions in leased facilities in Tempe, Arizona. Our Homebuilding divisions and Financial Services branches lease office space in the geographic locations in which they conduct their daily operations. In total across our organization, we lease approximately 1.6 million square feet of office space. The Company considers its properties suitable and adequate for its current business operations.

Because of the nature of our Homebuilding operations, significant amounts of property are held as inventory in the ordinary course. Such properties are not included in response to this Item.

ITEM 3. LEGAL PROCEEDINGS

We are involved in various legal and governmental proceedings incidental to our continuing business operations, many involving claims related to certain alleged construction defects. The consequences of these matters are not presently determinable but, in our opinion, after consulting with legal counsel and taking into account insurance and reserves, the ultimate liability is not expected to have a material adverse impact on our results of operations, financial position, or cash flows. However, to the extent the liability arising from the ultimate resolution of any matter exceeds our estimates reflected in the recorded reserves relating to such matter, we could incur additional charges that could be significant.

ITEM 4. MINE SAFETY DISCLOSURES

This Item is not applicable.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common shares are listed on the New York Stock Exchange (Symbol: PHM). At January 24, 2025, there were 1,918 shareholders of record.

In November 2024, our Board of Directors approved a quarterly cash dividend of $0.22 per common share, payable on January 3, 2025, to shareholders of record on December 17, 2024. The declaration of future cash dividends is at the discretion of our Board of Directors and will depend upon our future earnings, capital requirements and liquidity, cash flows, and financial conditions.

Issuer Purchases of Equity Securities

	Total number of shares purchased (1)	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs ($000's omitted)
October 1, 2024 to October 31, 2024	814,038	$ 139.41	814,038	$ 889,414 (2)
November 1, 2024 to November 30, 2024	788,499	130.80	788,499	$ 786,275 (2)
December 1, 2024 to December 31, 2024	860,862	120.09	860,862	$ 682,898 (2)
Total	2,463,399	$ 129.90	2,463,399	

(1) During 2024, participants surrendered shares for payment of minimum tax obligations upon the vesting or exercise of previously granted share-based compensation awards. Such shares were not repurchased as part of our publicly-announced share repurchase programs and are excluded from the table above.

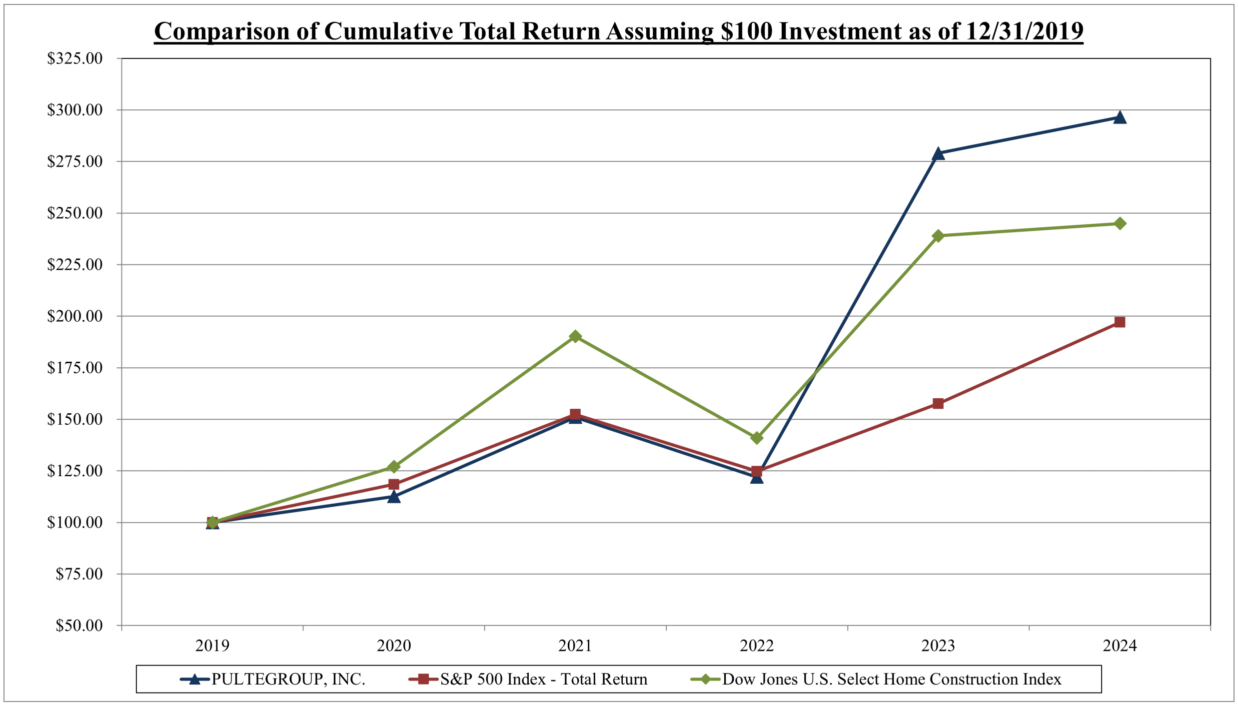
(2) On January 30, 2024, the Company announced that the Board of Directors approved a share repurchase authorization increase of $1.5 billion on January 29, 2024. There is no expiration date for this program, under which $682.9 million remained available as of December 31, 2024. During 2024, we repurchased 10.1 million shares for a total of $1.2 billion under this program. On January 29, 2025, the Board of Directors approved an increase to our share repurchase authorization by an additional $1.5 billion, which was publicly announced on January 30, 2025. There is also no expiration date for this program.

The information required by this item with respect to equity compensation plans is set forth under Item 12 of this Annual Report on Form 10-K and is incorporated herein by reference.

Performance Graph

The following line graph compares, for the fiscal years ended December 31, 2020, 2021, 2022, 2023, and 2024, (a) the yearly cumulative total shareholder return (i.e., the change in share price plus the cumulative amount of dividends, assuming dividend reinvestment, divided by the initial share price, expressed as a percentage) on PulteGroup's common shares, with (b) the cumulative total return of the Standard & Poor's 500 Stock Index and with (c) the Dow Jones U.S. Select Home Construction Index. The Dow Jones U.S. Select Home Construction Index is a widely-recognized index comprised primarily of large national homebuilders. We believe comparison of our shareholder return to this index represents a meaningful analysis for investors.

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN*
AMONG PULTEGROUP, INC., S&P 500 INDEX, AND PEER INDEX
Fiscal Year Ended December 31, 2024



	2019	2020	2021	2022	2023	2024
PULTEGROUP, INC.	$ 100.00	$ 112.65	$ 151.00	$ 121.98	$ 279.07	$ 296.48
S&P 500 Index - Total Return	100.00	118.40	152.39	124.79	157.59	197.02
Dow Jones U.S. Select Home Construction Index	100.00	126.99	190.20	140.90	238.93	244.95

* Assumes $100 invested on December 31, 2019, and the reinvestment of dividends.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations are provided as a supplement to and should be read in conjunction with the consolidated financial statements and related notes included in Item 8 in this Annual Report on Form 10-K. It also should be read in conjunction with the disclosure under "Special Notes Concerning Forward-Looking Statements" found in Item 7A of this Annual Report on Form 10-K. The following tables and related discussion set forth key operating and financial data as of and for the fiscal years ended December 31, 2024 and 2023. For similar operating and financial data and discussion of our fiscal 2023 results compared to our fiscal 2022 results, refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" under Part II of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, which was filed with the SEC on February 5, 2024.

The following is a summary of our operating results by line of business ($000's omitted, except per share data):

	Years Ended December 31,	
	2024	**2023**
Income before income taxes:		
Homebuilding	$ 3,795,924	$ 3,316,075
Financial Services	209,955	133,192
Income before income taxes	4,005,879	3,449,267
Income tax expense	(922,617)	(846,895)
Net income	$ 3,083,262	$ 2,602,372
Diluted earnings per share	$ 14.69	$ 11.72

Overview

In 2022, the Federal Reserve began raising its benchmark interest rate in response to persistent inflation that began after the onset of the COVID-19 pandemic. These actions drove national mortgage and other interest rates significantly higher and negatively impacted home affordability and consumer sentiment. The Federal Reserve cut their benchmark interest rate by 100 bps from September 2024 to December 2024. Despite this reduction, national mortgage interest rates increased nearly 100 bps from September 2024 to December 2024 with a cumulative increase of approximately 400 bps since the beginning of 2022. These higher financing costs, coupled with increases in the cost of land inventory and construction labor, as well as elevated overall inflation in recent years as compared with historical levels, have created affordability challenges for new homebuyers, resulting in decreased demand in the second half of 2024 as mortgage interest rates increased.

Despite these affordability challenges, interest in new homes remained at high levels in 2024, aided by a continuing limited supply of existing home inventory in combination with the market slowly adjusting to a higher interest rate environment, which has resulted in increased volatility in our new order pace over 2023 and 2024. We have responded to these affordability challenges by adjusting sales prices where necessary and focusing sales incentives on closing cost incentives, especially mortgage interest rate buydowns. These strategic decisions contributed to 2% growth in new orders from 2023 to 2024 but also drove a slight decrease in gross margins from 2023 to 2024.

We operate our business to generate a cadence of house starts to align with the sales environment, and an appropriate inventory of quick move-in speculative ("spec") homes as we focus on turning our assets and delivering high returns on investment, which has allowed us to achieve an effective balance of price and pace. The supply chain constraints that arose in connection with the COVID-19 pandemic have largely subsided. As a result, our production cycle times improved over the course of 2023 and 2024 and have now returned to near historical norms. This decrease in cycle times, coupled with our strong backlog and focus on spec home production, contributed to a 9% increase in closings in 2024 as compared to 2023.

Within an evolving macroeconomic environment, consumers across all buyer segments and price points have continued demonstrating a strong desire for homeownership despite continued interest rate variability. During 2023 and 2024, through a combination of our ongoing construction cost reduction initiatives, construction pacing, and sales strategies that capitalized on periods of strong consumer demand, we were able to achieve historically strong financial results, including higher income before income taxes than in any previous year.

Although higher mortgage interest rates may persist for some time, the limited supply of existing homes for sale, continuing low levels of unemployment, and demographics supporting housing demand remain favorable. We expect that homebuyers will continue to face affordability challenges, so our sales paces may remain volatile on a monthly basis and we expect our sales incentives to remain elevated. Additionally, we continued to face pressures in 2024 in the cost of land acquisition and development and the cost and availability of construction labor. Due to the length of our land development and construction cycle times, there is a lag between when such cost changes occur and when they impact our operating results. While we expect to continue to generate healthy gross margins, they may decline somewhat in future periods as a result of these factors.

We remain focused on taking a measured approach to our capital allocation strategy to effectively respond to future volatility in demand. Accordingly, we are focused on protecting liquidity and closely managing our cash flows while also continuing to focus on shareholder returns, including the following actions:

- Increasing our lot optionality within our land pipeline for increased flexibility;
- Producing sufficient levels of spec inventory (houses without customer orders) to service buyers seeking to close within 30 to 90 days;
- Maintaining a focus on shareholder return through share buybacks and dividends, including a 10% increase in our dividends from $0.20 to $0.22 per share effective with our January 2025 dividend payment and an additional $1.5 billion share repurchase authorization effective January 2025;
- Taking an opportunistic approach to repurchasing debt; and
- Maintaining ample liquidity.

We believe our strategic approach with respect to sales incentives, advertising, and our production cadence will enable us to meet consumer demand at the selling prices necessary to turn our inventory, maintain market share, and generate healthy returns. And we remain confident in our ability to navigate the future environment and to position the Company to take advantage of opportunities as they arise and support future growth and continued profitability and financial strength.

Homebuilding Operations

The following is a summary of income before income taxes for our Homebuilding operations ($000's omitted):

	Years Ended December 31,		
	2024	FY 2024 vs. FY 2023	2023
Home sale revenues	$ 17,318,521	11 %	$ 15,598,707
Land sale and other revenues	195,435	38 %	142,116
Total Homebuilding revenues	17,513,956	11 %	15,740,823
Home sale cost of revenues *(a)*	(12,311,766)	12 %	(11,030,206)
Land sale and other cost of revenues	(189,893)	52 %	(124,607)
Selling, general, and administrative expenses ("SG&A") *(b)*	(1,321,276)	1 %	(1,312,642)
Equity income from unconsolidated entities *(c)*	43,151	*(d)*	3,506
Other income (expense), net *(e)*	61,752	58 %	39,201
Income before income taxes	$ 3,795,924	14 %	$ 3,316,075
Supplemental data:			
Gross margin from home sales *(a)*	28.9 %	(40) bps	29.3 %
SG&A % of home sale revenues *(b)*	7.6 %	(80) bps	8.4 %
Closings (units)	31,219	9 %	28,603
Average selling price	$ 555	2 %	$ 545
Net new orders *(f)*:			
Units	29,226	2 %	28,580
Dollars	$ 16,493,524	8 %	$ 15,244,353
Cancellation rate	15 %		16 %
Average active communities	945	4 %	906
Backlog at December 31:			
Units	10,153	(16)%	12,146
Dollars	$ 6,494,718	(11)%	$ 7,319,714

(a) *Includes the amortization of capitalized interest.*

(b) *Includes insurance reserve reversals of $333.9 million and $130.8 million in 2024 and 2023, respectively.*

(c) *Equity income from unconsolidated entities includes a gain of $39.5 million in 2024 related to the sale of our minority interest in a joint venture.*

(d) *Percentage not meaningful.*

(e) *See "Other income (expense), net" for a table summarizing significant items (Note 1).*

(f) *Net new order dollars represent a composite of new order dollars combined with other movements of the dollars in backlog related to cancellations and change orders.*

Home sale revenues

Home sale revenues for 2024 were higher than 2023 by $1.7 billion, or 11%. The increase was attributable to a 9% increase in closings combined with a 2% increase in average selling price. The increase in closings during 2024 was primarily attributable to a strong backlog, improved production cycle times, and initiatives to prioritize quick move-in spec homes to satisfy customer desire to quickly close on homes due to the volatile interest rate environment and to ensure an efficient production cadence of homes. The increase in average selling price during 2024 reflected the impacts of consumer demand, persistent inflation, and a slight mix shift toward our West segment, which carries a higher average selling price, partially offset by a slight increase in the mix of first-time buyer homes, which typically carry a lower average selling price.

Home sale gross margins

Home sale gross margins were 28.9% in 2024, compared with 29.3% in 2023. Gross margins remained strong in both 2024 and 2023 relative to historical levels. Due to the low supply of new and existing homes for sale, we were generally able to maintain net sales pricing to substantially offset increases in house and land costs and higher sales incentives over these periods. However, we expect sales incentives, especially mortgage interest rate buydowns, to remain elevated to address buyer affordability challenges, along with higher land and house costs, which may continue to impact our gross margins in the near term.

Land sale and other revenues

We periodically elect to sell parcels of land to third parties in the event such assets no longer fit into our strategic operating plans or are zoned for commercial or other development. Land sale and other revenues and their related gains or losses vary between periods, depending on the timing of land sales and our strategic operating decisions. Land sales and other revenues contributed income of $5.5 million and $17.5 million in 2024 and 2023, respectively.

SG&A

SG&A as a percentage of home sale revenues was 7.6% and 8.4% in 2024 and 2023, respectively. The gross dollar amount of our SG&A increased $8.6 million, or 1%, in 2024 compared with 2023. This increase resulted primarily from overhead costs to support increased production volumes coupled with higher compensation costs, partially offset by insurance reserve reversals of $333.9 million in 2024, compared to insurance reserve reversals of $130.8 million in 2023.

Other income (expense), net

Other income (expense), net includes the following ($000's omitted):

	2024	2023
Write-offs of deposits and pre-acquisition costs (Note 2)	$ (18,266)	$ (23,512)
Amortization of intangible assets (Note 1)	(10,034)	(10,538)
Gain (loss) on debt retirement	(222)	663
Interest income	59,486	61,533
Interest expense	(479)	(469)
Miscellaneous, net *(a)*	31,267	11,524
Total other income (expense), net	$ 61,752	$ 39,201

(a) Includes a gain of $17.5 million in 2024 related to the sale of a non-homebuilding property.

Interest income began to increase significantly in 2023 and has remained elevated in 2024 as the result of higher returns on invested cash balances due to the elevated interest rate environment.

Net new orders

Net new orders in units increased 2% in 2024 compared with 2023, while net new orders in dollars increased by 8% compared with 2023. The increased net new order volume in 2024 was primarily due to a 4% increase in average active communities. The increase in net new orders in dollars was primarily attributable to the higher unit volume along with geographic mix, including our West segment, which carries a higher average selling price. The annual cancellation rate (canceled orders for the period divided by gross new orders for the period) decreased to 15% in 2024 compared to 16% in 2023. Cancellation rates began to increase in 2022 and have now returned to historical levels. Ending backlog dollars, which represents orders for homes that have not yet closed, decreased 11% in 2024 compared with 2023, primarily as a result of decreased demand in the second half of 2024 as mortgage interest rates increased and improved construction cycle times.

Homes in production

The following is a summary of our homes in production at December 31, 2024 and 2023:

	2024	2023
Sold	7,680	9,508
Unsold		
Under construction	6,897	6,118
Completed	1,862	1,263
	8,759	7,381
Models	1,593	1,465
Total	18,032	18,354

The number of homes in production at December 31, 2024 was 2% lower compared to December 31, 2023. This decrease was primarily due to a decreased number of sold homes due to lower backlog and improved production cycle times, which reduces the length of time a home sits in inventory. The number of unsold homes under construction increased in 2024, which reflects our strategic decision to increase starts of spec units in response to buyer demand for quick move-in homes. We continue to carefully monitor our production levels heading into the spring 2025 selling season and expect to lower the percentage of our inventory that is unsold by the end of 2025.

Controlled lots

The following is a summary of our lots under control at December 31, 2024 and 2023:

	December 31, 2024			December 31, 2023		
	Owned	Optioned	Controlled	Owned	Optioned	Controlled
Northeast	3,946	6,693	10,639	4,204	8,718	12,922
Southeast	17,843	32,770	50,613	18,911	27,666	46,577
Florida	27,041	34,499	61,540	26,922	35,543	62,465
Midwest	11,271	20,061	31,332	12,290	14,461	26,751
Texas	15,420	23,663	39,083	16,487	17,378	33,865
West	26,655	14,727	41,382	25,701	14,349	40,050
Total	102,176	132,413	234,589	104,515	118,115	222,630
	44 %	56 %	100 %	47 %	53 %	100 %
Developed (%)	48 %	24 %	34 %	45 %	18 %	31 %

While competition for well-positioned land is robust, we have continued to pursue land investments that we believe can achieve appropriate risk-adjusted returns on invested capital. We have also continued to seek to maintain a high percentage of our lots that are controlled via land option agreements as such contracts enable us to defer acquiring portions of properties owned by third parties or unconsolidated entities until we have determined whether and when to exercise our option, which reduces our financial risks associated with long-term land holdings. The remaining purchase price under our land option agreements totaled $9.2 billion at December 31, 2024.

Homebuilding Segment Operations

Our Homebuilding operations represent our core business. Homebuilding offers a broad product line to meet the needs of homebuyers in our targeted markets. As of December 31, 2024, we conducted our operations in 46 markets located throughout 25 states. For reporting purposes, our Homebuilding operations are aggregated into six reportable segments:

Northeast:	*Maryland, Massachusetts, New Jersey, Pennsylvania, Virginia*
Southeast:	*Georgia, North Carolina, South Carolina, Tennessee*
Florida:	*Florida*
Midwest:	*Illinois, Indiana, Kentucky, Michigan, Minnesota, Ohio*
Texas:	*Texas*
West:	*Arizona, California, Colorado, Nevada, New Mexico, Oregon, Utah, Washington*

We also have a reportable segment for our Financial Services operations, which consist principally of mortgage banking, title, and insurance agency operations. The Financial Services segment operates generally in the same markets as the Homebuilding segments.

The following table presents selected financial information for our reportable Homebuilding segments:

	Operating Data by Segment ($000's omitted)		
	Years Ended December 31,		
	2024	FY 2024 vs. FY 2023	2023
Revenues:			
Northeast	$ 1,068,199	10 %	$ 969,107
Southeast	2,880,882	8 %	2,669,065
Florida	4,706,048	1 %	4,650,355
Midwest	2,590,309	24 %	2,084,807
Texas	2,140,699	5 %	2,040,164
West	3,933,430	24 %	3,182,947
Other Homebuilding	194,389	35 %	144,378
	$ 17,513,956	11 %	$ 15,740,823
Income before income taxes *(a)*:			
Northeast	$ 229,996	9 %	$ 210,508
Southeast	631,527	5 %	603,843
Florida *(b)*	1,121,311	(6)%	1,193,481
Midwest	490,185	38 %	353,966
Texas	345,594	(7)%	371,902
West *(c)*	552,839	45 %	379,993
Other homebuilding *(d)*	424,472	110 %	202,382
	$ 3,795,924	14 %	$ 3,316,075
Closings (units):			
Northeast	1,518	7 %	1,417
Southeast	5,697	10 %	5,201
Florida	7,906	2 %	7,742
Midwest	4,750	20 %	3,955
Texas	5,452	3 %	5,295
West	5,896	18 %	4,993
	31,219	9 %	$ 28,603
Average selling price:			
Northeast	$ 704	3 %	$ 684
Southeast	506	(1)%	513
Florida	595	(1)%	601
Midwest	545	3 %	527
Texas	393	2 %	385
West	667	5 %	637
	$ 555	2 %	$ 545

(a) Includes land-related charges as summarized in the following land-related charges table (Notes 2 and 3).
(b) Includes a gain of $17.5 million in 2024 from the sale of a non-homebuilding property.
(c) Includes a gain of $10.7 million in 2024 from the sale of a property.
(d) Other homebuilding includes income from unconsolidated entities, interest, the amortization of intangible assets, the amortization of capitalized interest, other items not allocated to the operating segments, and the elimination of internal capital charges allocated to the operating segments. Also includes insurance reserve reversals of $333.9 million and $130.8 million in 2024 and 2023, respectively (Note 11), and a gain of $39.5 million in 2024 related to the sale of our minority interest in a joint venture.

The following table presents additional selected financial information for our reportable Homebuilding segments:

	Operating Data by Segment ($000's omitted) Years Ended December 31,		
	2024	FY 2024 vs. FY 2023	2023
Net new orders - units:			
Northeast	1,566	4%	1,510
Southeast	5,363	(3)%	5,541
Florida	6,909	—%	6,893
Midwest	4,860	13%	4,297
Texas	4,763	(7)%	5,143
West	5,765	11%	5,196
	29,226	2%	28,580
Net new orders - dollars:			
Northeast	$ 1,165,949	13%	$ 1,034,819
Southeast	2,786,663	1%	2,758,983
Florida	4,015,536	—%	4,019,271
Midwest	2,642,969	14%	2,309,404
Texas	1,841,487	(4)%	1,916,753
West	4,040,920	26%	3,205,123
	$ 16,493,524	8%	$ 15,244,353
Cancellation rates:			
Northeast	7%		8%
Southeast	12%		10%
Florida	16%		16%
Midwest	10%		11%
Texas	17%		19%
West	19%		22%
	15%		16%
Unit backlog:			
Northeast	615	8%	567
Southeast	1,912	(15)%	2,246
Florida	2,795	(26)%	3,792
Midwest	1,802	7%	1,692
Texas	948	(42)%	1,637
West	2,081	(6)%	2,212
	10,153	(16)%	12,146
Backlog dollars:			
Northeast	$ 506,121	24%	$ 408,371
Southeast	1,127,517	(8)%	1,221,736
Florida	1,808,363	(28)%	2,497,827
Midwest	1,064,162	5%	1,011,503
Texas	431,177	(41)%	730,389
West	1,557,378	7%	1,449,888
	$ 6,494,718	(11)%	$ 7,319,714

The following table presents additional selected financial information for our reportable Homebuilding segments:

	Operating Data by Segment ($000's omitted)	
	Years Ended December 31,	
	2024	2023
Land-related charges*:		
Northeast	$ 8,142	$ 497
Southeast	4,006	7,853
Florida	2,804	2,683
Midwest	1,598	7,786
Texas	9,643	3,661
West	7,412	19,343
Other homebuilding	967	1,292
	$ 34,572	$ 43,115

* *Land-related charges include land impairments, net realizable value adjustments for land held for sale, and write-offs of deposits and pre-acquisition costs. Other homebuilding consists primarily of write-offs of capitalized interest resulting from land-related charges. See Notes 2 and 3 to the Consolidated Financial Statements for additional discussion of these charges.*

Northeast:

For 2024, Northeast home sale revenues increased 10% compared with 2023 due to a 7% increase in closings combined with a 3% increase in average selling price. The increase in closings was mixed among markets, while the increase in average selling price occurred across the majority of markets. Income before income taxes increased 9%, primarily due to increased revenues, which were mixed among markets, and increased gross margins across the majority of markets. Net new orders increased across the majority of markets.

Southeast:

For 2024, Southeast home sale revenues increased 8% compared with 2023 due to a 10% increase in closings partially offset by 1% decrease in average selling price. The increase in closings occurred across the majority of markets while the decrease in average selling price was mixed among markets. Income before income taxes increased 5%, primarily due to increased revenues across the majority of markets and increased gross margins, which were mixed among markets. Net new orders decreased across the majority of markets.

Florida:

For 2024, Florida home sale revenues increased 1% compared with 2023 due to a 2% increase in closings partially offset by a 1% decrease in average selling price. The increase in closings was mixed among markets, while the decrease in average selling price occurred across the majority of markets. Income before income taxes decreased 6%, primarily due to lower gross margins across the majority of markets. Net new orders decreased across the majority of markets.

Midwest:

For 2024, Midwest home sale revenues increased 24% compared with 2023 due to a 20% increase in closings combined with a 3% increase in average selling price. The increase in closings occurred across all markets while the increase in average selling price occurred across the majority of markets. Income before income taxes increased 38%, primarily due to increased revenues and gross margins across all markets. Net new orders increased across the majority of markets.

Texas:

For 2024, Texas home sale revenues increased 5% compared with 2023 due to a 3% increase in closings combined with a 2% increase in average selling price. The increase in closings occurred across the majority of markets, while the increase in average selling price was mixed among markets. Income before income taxes decreased 7%, primarily due to decreased gross margins in Central Texas. The decrease in net new orders was mixed among markets.

West:

For 2024, West home sale revenues increased 24% compared with 2023 primarily due to an 18% increase in closings combined with a 5% increase in average selling price. The increase in closings occurred across all markets while the increase in average selling price occurred across the majority of markets. Income before income taxes increased 45%, primarily due to increased revenues and gross margins across all markets. Results for 2024 also include a gain of $10.7 million related an individual property sale in Northern California. Net new orders increased across all markets.

Financial Services Operations

We conduct our Financial Services operations, which include mortgage banking, title, and insurance agency operations, through Pulte Mortgage and other subsidiaries. In originating mortgage loans, we initially use our own funds, including funds available pursuant to credit agreements with third parties. Substantially all of the loans we originate are sold in the secondary market within a short period of time after origination, generally within 30 days. We also sell the servicing rights for the loans we originate through fixed-price servicing sales contracts to reduce the risks and costs inherent in servicing loans. This strategy results in owning the loans and related servicing rights for only a short period of time. Operating as a captive business model primarily targeted to supporting our Homebuilding operations, the business levels of our Financial Services operations are highly correlated to Homebuilding. Our Homebuilding customers continue to account for substantially all Financial Services activities. We believe that our capture rate, which represents loan originations from our Homebuilding operations as a percentage of total loan opportunities from our Homebuilding operations, excluding cash closings, is an important metric in evaluating the effectiveness of our captive mortgage business model. The following tables present selected financial information for our Financial Services operations ($000's omitted):

	Years Ended December 31,		
	2024	**FY 2024 vs. FY 2023**	**2023**
Mortgage revenues	$ 298,128	47 %	$ 202,614
Title services revenues	99,103	16 %	85,462
Insurance agency commissions	35,763	9 %	32,679
Total Financial Services revenues	432,994	35 %	320,755
Expenses	(224,086)	20 %	(187,280)
Equity income from unconsolidated entities	1,050	— %	1,055
Other expense, net	(3)	*(a)*	(1,338)
Income before income taxes	$ 209,955	58 %	$ 133,192
Total originations:			
Loans	19,770	13 %	17,427
Principal	$ 8,340,836	20 %	$ 6,924,910

(a) Percentage not meaningful

	Years Ended December 31,	
	2024	2023
Supplemental Pulte Mortgage data:		
Capture rate	85.9 %	81.6 %
Average FICO score	750	748
Funded origination breakdown:		
Government (FHA, VA, USDA)	25 %	23 %
Other agency	72 %	74 %
Total agency	97 %	97 %
Non-agency	3 %	3 %
Total funded originations	100 %	100 %

Revenues

Total Financial Services revenues during 2024 increased 35% compared with 2023 primarily due to an increase in origination volumes resulting from increased closings within Homebuilding and improved capture rates. Revenues per loan also increased as the result of a more favorable operating environment for our mortgage operations. The increased use of closing cost incentives in the form of mortgage interest rate buydowns has also contributed favorably to our mortgage operations volumes and revenues per loan.

Income before income taxes

The increase in income before income taxes for 2024 as compared with 2023 was primarily due to the increase in home closings in our Homebuilding operations, as well as higher loan origination volume and revenues per loan in our mortgage operations.

Income Taxes

Our effective income tax rate was 23.0% and 24.6% for 2024 and 2023, respectively. Our effective tax rate for each of these periods differs from the federal statutory rate primarily due to state income tax expense. See Note 8 for additional discussion of our effective income tax rate.

Liquidity and Capital Resources

We finance our land acquisition, development, and construction activities and Financial Services operations using internally-generated funds, supplemented by credit arrangements with third parties and capital market financing. We routinely monitor current and expected operational requirements and financial market conditions to evaluate accessing available financing sources, including revolving bank credit and securities offerings.

At December 31, 2024, we had unrestricted cash and equivalents of $1.6 billion, restricted cash balances of $40.4 million, and $928.9 million available under our Revolving Credit Facility (as defined below). Our ratio of debt-to-total capitalization, excluding our Financial Services debt, was 11.8% at December 31, 2024 as compared with 15.9% at December 31, 2023.

We follow a diversified investment approach for our cash and equivalents by maintaining such funds with a broad portfolio of banks within our group of relationship banks in high quality, highly liquid, short-term deposits and investments, which helps mitigate banking concentration risk. In response to recent volatility in the banking system, we have shifted a larger percentage of our cash and equivalents to money market funds to reduce the balances held in bank accounts.

For the next 12 months, we expect our principal demand for funds will be for the acquisition and development of land inventory, construction of house inventory, and operating expenses, including our general and administrative expenses. Though we experienced significant improvement in 2023 and 2024, the elongation of our production cycle in recent years has required a greater investment of cash in our homes under production. Additionally, we plan to continue our dividend payments and repurchases of common stock. In August 2025, we need to repay or refinance Pulte Mortgage's master repurchase agreement with third-party lenders (as amended, the "Repurchase Agreement"). While we intend to refinance the Repurchase Agreement, there can be no assurances that the Repurchase Agreement can be renewed or replaced on commercially reasonable terms upon its expiration. However, we believe we have adequate liquidity to meet Pulte Mortgage's anticipated financing needs. Beyond the next twelve months, we will need to repay or refinance our Revolving Credit Facility, which matures in June 2027, and our unsecured senior notes, the next tranche of which becomes due in 2026. We may from time to time repurchase our unsecured senior notes through open market purchases, privately negotiated transactions, or otherwise.

We believe that our current cash position and other available financing resources, coupled with our ongoing operating activities, will provide sufficient liquidity to fund our business needs over the next twelve months and beyond. To the extent the sources of capital described above are insufficient to meet our needs, we may also conduct additional public offerings of our securities, refinance debt, dispose of certain assets to fund our operating activities, or draw on existing or new debt facilities.

Unsecured senior notes

At December 31, 2024, we had $1.6 billion of unsecured senior notes outstanding with no repayments due until March 2026, when $251.9 million of notes are scheduled to mature.

During the twelve months ended 2024, we completed repurchases of $193.4 million and $106.6 million of our unsecured senior notes scheduled to mature in 2026 and 2027, respectively, through a cash tender offer. Our total repurchases during the twelve months ended 2024, including open market repurchases, were $310.2 million.

Other notes payable

Other notes payable include non-recourse and limited recourse secured notes with third parties that totaled $35.8 million at December 31, 2024. These notes have maturities ranging up to five years, are secured by the applicable land positions to which they relate, and generally have no recourse to other assets. The stated interest rates on these notes range up to 5%.

Joint venture debt

At December 31, 2024, aggregate outstanding debt of unconsolidated joint ventures was $31.1 million.

Revolving credit facility

We maintain a revolving credit facility ("Revolving Credit Facility") maturing in June 2027 that has a maximum borrowing capacity of $1.3 billion and contains an uncommitted accordion feature that could increase the capacity to $1.8 billion, subject to certain conditions and availability of additional bank commitments. The Revolving Credit Facility also provides for the issuance of letters of credit that reduce the available borrowing capacity under the Revolving Credit Facility, up to the maximum borrowing capacity. The interest rate on borrowings under the Revolving Credit Facility may be based on either the Secured Overnight Financing Rate or a base rate plus an applicable margin, as defined therein. The Revolving Credit Facility contains financial covenants that require us to maintain a minimum Tangible Net Worth and a maximum Debt-to-Capitalization Ratio (as each term is defined in the Revolving Credit Facility). As of December 31, 2024, we were in compliance with all covenants and requirements. Outstanding balances under the Revolving Credit Facility are guaranteed by certain of our wholly-owned subsidiaries.

At December 31, 2024, we had no borrowings outstanding, $321.1 million of letters of credit issued, and $928.9 million of remaining capacity under the Revolving Credit Facility.

Financial Services debt

Pulte Mortgage provides mortgage financing for the majority of our home closings by utilizing its own funds and funds made available pursuant to credit agreements with third parties. Pulte Mortgage uses these resources to finance its lending activities until the loans are sold in the secondary market, which generally occurs within 30 days.

Pulte Mortgage maintains a master repurchase agreement with third-party lenders entered into in August 2023 (the "Repurchase Agreement") that matures on August 13, 2025. The maximum aggregate commitment was $675.0 million at December 31, 2024 and decreased to $650.0 million at January 14, 2025, which continues until maturity. The Repurchase Agreement also contains an accordion feature that could increase the commitment by $50.0 million above its active commitment level. Borrowings under the Repurchase Agreement are secured by residential mortgage loans available-for-sale. The Repurchase Agreement contains various affirmative and negative covenants applicable to Pulte Mortgage, including quantitative thresholds related to net worth, net income, and liquidity. At December 31, 2024, Pulte Mortgage had $526.9 million outstanding at a weighted average interest rate of 6.13%, and $148.1 million of remaining capacity under the Repurchase Agreement. Pulte Mortgage was in compliance with all of its covenants and requirements as of such dates.

Dividends and share repurchase program

We declared quarterly cash dividends totaling $171.4 million and $149.8 million in 2024 and 2023, respectively, and repurchased 10.1 million and 13.8 million shares in 2024 and 2023, respectively, for a total of $1.2 billion and $1.0 billion in 2024 and 2023, respectively. On January 29, 2024, the Board of Directors increased our share repurchase authorization by $1.5 billion. At December 31, 2024, we had remaining authorization to repurchase $682.9 million of common shares. On January 29, 2025, the Board of Directors increased our share repurchase authorization by an additional $1.5 billion.

Contractual obligations

We are a party to many contractual obligations involving commitments to make payments to third parties. These obligations impact our short-term and long-term liquidity and capital resource needs. Certain contractual obligations are reflected on the Consolidated Balance Sheet as of December 31, 2024, while others are considered future commitments. Our contractual obligations primarily consist of long-term debt and related interest payments, purchase obligations related to expected acquisitions and development of land, operating leases, and obligations under our various compensation and benefit plans.

We use letters of credit and surety bonds to guarantee our performance under various contracts, principally in connection with the development of our homebuilding projects. The expiration dates of the letter of credit contracts coincide with the expected completion date of the related homebuilding projects. If the obligations related to a project are ongoing, annual extensions of the letters of credit are typically granted on a year-to-year basis. At December 31, 2024, we had outstanding letters of credit of $321.1 million. Our surety bonds generally do not have stated expiration dates; rather, we are released from the bonds as the contractual performance is completed. These bonds, which approximated $2.9 billion at December 31, 2024, are typically outstanding over a period of approximately three to five years. Because significant construction and development work has been performed related to the applicable projects but has not yet received final acceptance by the respective counterparties, the aggregate amount of surety bonds outstanding is in excess of the projected cost of the remaining work to be performed.

In the ordinary course of business, we enter into land option agreements in order to procure land for the construction of houses in the future. At December 31, 2024, these agreements had an aggregate remaining purchase price of $9.2 billion. Pursuant to these land option agreements, we provide a deposit to the seller as consideration for the right to purchase land at different times in the future, usually at predetermined prices. At December 31, 2024, outstanding deposits totaled $639.8 million, of which $18.4 million is refundable.

We are under contract to purchase federal transferable tax credits that we expect to use to offset future federal income tax obligations totaling $222 million. The timing of such purchases is intended to approximate the timing of our expected federal income tax obligations.

For further information regarding our primary obligations, refer to Note 5, "Debt" and Note 11, "Commitments and Contingencies" to the Consolidated Financial Statements included elsewhere in this Annual Report on 10-K for amounts outstanding as of December 31, 2024, related to debt and commitments and contingencies, respectively.

Cash flows

Operating activities

Net cash provided by operating activities in 2024 was $1.7 billion, compared with net cash provided by operating activities of $2.2 billion in 2023. Generally, the primary drivers of our cash flow from operations are profitability and changes in inventory levels and residential mortgage loans available-for-sale, each of which experiences seasonal fluctuations. Our positive cash flow from operations for 2024 was primarily due to our net income of $3.1 billion, which was partially offset by a $787.5 million net increase in inventories primarily attributable to investment in land inventory.

Net cash provided by operating activities in 2023 was primarily due to our net income of $2.6 billion, which was partially offset by a $354.0 million net increase in inventories primarily attributable to investment in land inventory.

Investing activities

Net cash used in investing activities totaled $94.5 million in 2024, compared with $129.1 million in 2023. The 2024 cash outflows primarily reflect capital expenditures of $118.5 million related to our ongoing investment in new communities, construction operations, and information technology applications.

Net cash used in investing activities in 2023 primarily reflected $23.4 million of investments in unconsolidated entities primarily in support of our land development activities and capital expenditures of $92.2 million related to our ongoing investment in new communities, construction operations, and information technology applications.

Financing activities

Net cash used in financing activities was $1.8 billion in 2024 compared with $1.3 billion during 2023. The net cash used in financing activities for 2024 resulted primarily from the repurchase of 10.1 million common shares for $1.2 billion under our repurchase authorization, cash dividends of $167.7 million, and repayments of debt of $355.8 million.

Net cash used in financing activities for 2023 resulted primarily from the repurchase of 13.8 million common shares for $1.0 billion under our repurchase authorization and cash dividends of $142.5 million.

Seasonality

Although significant changes in market conditions have impacted our seasonal patterns in the past and could do so again, we have historically experienced variability in our quarterly results from operations due to the seasonal nature of the homebuilding industry. We generally experience increases in revenues and cash flow from operations during the fourth quarter based on the timing of home closings. This seasonal activity increases our working capital requirements in our third and fourth quarters to support our home production and loan origination volumes. As a result of the seasonality of our operations, our quarterly results of operations are not necessarily indicative of the results that may be expected for the full year. Additionally, given the disruption in economic activity, supply chain challenges, increase in mortgage interest rates, and other macroeconomic factors, our quarterly results in 2024 and 2023 are not necessarily indicative of results that may be achieved in the future.

Supplemental Guarantor Financial Information

As of December 31, 2024 PulteGroup, Inc. had outstanding $1.6 billion principal amount of unsecured senior notes due at dates from March 2026 through February 2035 and no amounts outstanding on its Revolving Credit Facility.

All of our unsecured senior notes and the Revolving Credit Facility are fully and unconditionally guaranteed, on a joint and several basis, by certain subsidiaries of PulteGroup, Inc. ("Guarantors" or "Guarantor Subsidiaries"). Each of the Guarantor Subsidiaries is 100% owned, directly or indirectly, by PulteGroup, Inc. Our subsidiaries associated with our Financial Services operations and certain other subsidiaries do not guarantee the unsecured senior notes or the Revolving Credit Facility (collectively, "Non-Guarantor Subsidiaries"). The guarantees are senior unsecured obligations of each Guarantor and rank equal with all existing and future senior debt of such Guarantor and senior to all subordinated debt of such Guarantor. The guarantees are effectively subordinated to any secured debt of such Guarantor to the extent of the value of the assets securing such debt.

A court could void or subordinate any Guarantor’s guarantee under the fraudulent conveyance laws if existing or future creditors of any such Guarantor were successful in establishing that such Guarantor:

(a) incurred the guarantee with the intent of hindering, delaying or defrauding creditors; or

(b) received less than reasonably equivalent value or fair consideration in return for incurring the guarantee and, in the case of any one of the following is also true at the time thereof:

- such Guarantor was insolvent or rendered insolvent by reason of the issuance of the incurrence of the guarantee;
- the incurrence of the guarantee left such Guarantor with an unreasonably small amount of capital or assets to carry on its business;
- such Guarantor intended to, or believed that it would, incur debts beyond its ability to pay as they mature;
- such Guarantor was a defendant in an action for money damages, or had a judgment for money damages docketed against it, if the judgment is unsatisfied after final judgment.

The measures of insolvency for purposes of determining whether a fraudulent conveyance occurred would vary depending upon the laws of the relevant jurisdiction and upon the valuation assumptions and methodology applied by the court. However, in general, a court would deem a company insolvent if:

- the sum of its debts, including contingent and unliquidated liabilities, was greater than the fair saleable value of all of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they became due.

The guarantees of the senior notes contain a provision to limit each Guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer. However, under recent case law, this provision may not be effective to protect such guarantee from being voided under fraudulent transfer law or otherwise determined to be unenforceable. If a court were to find that the incurrence of a guarantee was a fraudulent transfer or conveyance, the court could void the payment obligations under that guarantee, could subordinate that guarantee to presently existing and future indebtedness of the Guarantor or could require the holders of the senior notes to repay any amounts received with respect to that guarantee. In the event of a finding that a fraudulent transfer or conveyance occurred, holders may not receive any repayment on the senior notes.

Finally, as a court of equity, a bankruptcy court may subordinate the claims in respect of the guarantees to other claims against us under the principle of equitable subordination if the court determines that (1) the holder of senior notes engaged in some type of inequitable conduct, (2) the inequitable conduct resulted in injury to our other creditors or conferred an unfair advantage upon the holders of senior notes and (3) equitable subordination is not inconsistent with the provisions of the bankruptcy code.

On the basis of historical financial information, operating history and other factors, we believe that each of the Guarantors, after giving effect to the issuance of the guarantees when such guarantees were issued, was not insolvent, did not have unreasonably small capital for the business in which it engaged and did not and has not incurred debts beyond its ability to pay such debts as they mature. We cannot provide assurance, however, as to what standard a court would apply in making these determinations or that a court would agree with our conclusions in this regard.

The following tables present summarized financial information for PulteGroup, Inc. and the Guarantor Subsidiaries on a combined basis after intercompany transactions and balances have been eliminated among PulteGroup, Inc. and the Guarantor Subsidiaries, as well as their investment in and equity in earnings from the Non-Guarantor Subsidiaries ($000's omitted):

PulteGroup, Inc. and Guarantor Subsidiaries

Summarized Balance Sheet Data	**December 31,**	
ASSETS	**2024**	**2023**
Cash, cash equivalents, and restricted cash	$ 1,218,207	$ 1,471,293
House and land inventory	12,354,274	11,474,861
Amount due from Non-Guarantor Subsidiaries	1,024,762	839,673
Total assets	15,589,227	14,451,614
LIABILITIES		
Accounts payable, customer deposits, accrued and other liabilities	$ 2,735,190	$ 2,810,832
Notes payable	1,618,586	1,962,218
Total liabilities	4,801,056	5,078,696

	Years Ended December 31,	
Summarized Statement of Operations Data	**2024**	**2023**
Revenues	$ 17,200,473	$ 15,447,595
Cost of revenues	12,228,331	10,895,197
Selling, general, and administrative expenses	1,314,547	1,312,645
Income before income taxes	3,789,812	3,334,858

Critical Accounting Estimates

The preparation of the Company's financial statements in conformity with U.S. generally accepted accounting principles and the discussion and analysis of its financial condition and operating results requires management to make estimates and assumptions, including estimates about the future resolution of existing uncertainties that affect the amounts reported. As a result, actual results could differ from these estimates. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances. We believe the following critical accounting estimates reflect the more significant judgments and estimates used in the preparation of our consolidated financial statements. For a discussion of all of our significant accounting policies, refer to Note 1, "Summary of Significant Accounting Policies".

Inventory and cost of revenues

Cost of revenues includes the construction cost, average lot cost, estimated warranty costs, and closing costs applicable to the home. The construction cost of the home includes amounts paid through the closing date of the home, plus an accrual for costs incurred but not yet paid, based on an analysis of budgeted construction costs. This accrual is reviewed for accuracy based on actual payments made after closing compared with the amount accrued, and adjustments are made if needed. Land acquisition and development costs are allocated to individual lots using an average lot cost determined based on the total expected land acquisition and development costs and the total expected home closings for the community. Total community land acquisition and development costs are based on an analysis of budgeted costs compared with actual costs incurred to date and estimates to complete. The development cycles for our communities range from under one year to in excess of 10 years for certain master planned communities. Adjustments to estimated total land acquisition and development costs for the community affect the amounts costed for the community’s remaining lots.

We test inventory for impairment when events and circumstances indicate that the undiscounted cash flows estimated to be generated by the community may be less than its carrying amount. Such indicators include gross margins or sales paces significantly below expectations, construction costs or land development costs significantly in excess of budgeted amounts, significant delays or changes in the planned development for the community, and other known qualitative factors. Communities that demonstrate potential impairment indicators are tested for impairment by comparing the expected undiscounted cash flows for the community to its carrying value. For those communities whose carrying values exceed the expected undiscounted cash flows, we 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.

We generally determine the fair value of each community using a combination of discounted cash flow models and market comparable transactions, where available. These estimated cash flows are significantly impacted by estimates related to expected average selling prices, expected sales paces, expected land development and construction timelines, and anticipated land development, construction, and overhead costs. The assumptions used in the discounted cash flow models are specific to each community. Due to uncertainties in the estimation process, the significant volatility in demand for new housing, the long life cycles of many communities, and potential changes in our strategy related to certain communities, actual results could differ significantly from such estimates.

Generally, a community must have projected gross margin percentages in the single digits or lower to potentially fail the undiscounted cash flow step and proceed to the fair value step. Our overall gross margin realized during 2024 and our average gross margin in backlog at December 31, 2024 both exceeded 27%, and we have only a small minority of communities with gross margins below 10%. However, in the event of an extended economic slowdown that leads to moderate or significant decreases in the price of new homes in certain geographic or buyer submarkets, we could have a larger number of communities that begin to approach these levels such that more detailed impairment analyses would be necessary, and the resulting impairments could be material. Additionally, we have $1.1 billion of deposits and pre-acquisition costs at December 31, 2024 related to option agreements to acquire additional land. In the event of an extended economic slowdown, we could elect to cancel a large portion of such land option agreements, which would generally result in the write-off of the related deposits and pre-acquisition costs.

Self-insured risks

At any point in time, we are managing numerous individual claims related to general liability, property, errors and omission, workers compensation, and other business insurance coverages. We reserve for costs associated with such claims (including expected claims management expenses) on an undiscounted basis at the time product revenue is recognized for each home closing and periodically evaluate the recorded liabilities based on actuarial analyses of our historical claims. The actuarial analyses calculate estimates of the ultimate cost of all unpaid losses, including estimates for incurred but not reported losses ("IBNR"). IBNR represents losses related to claims incurred but not yet reported plus development on reported claims.

Our recorded reserves for all such claims totaled $267.5 million and $563.1 million at December 31, 2024 and 2023, respectively, the vast majority of which relate to general liability claims. The recorded reserves include loss estimates related to both (i) existing claims and related claim expenses and (ii) IBNR and related claim expenses. Liabilities related to IBNR and related claim expenses represented approximately 68% and 77% of the total general liability reserves at December 31, 2024 and 2023, respectively. The actuarial analyses that determine the IBNR portion of reserves consider a variety of factors, including the frequency and severity of losses, which are based on our historical claims experience supplemented by industry data. The actuarial analyses of the reserves also consider historical third party recovery rates and claims management expenses. Because of the inherent uncertainty in estimating future losses related to these claims, actual costs could differ significantly from estimated costs. Based on the actuarial analyses performed, we believe the range of reasonably possible losses related to these claims is $200 million to $325 million. While this range represents our best estimate of our ultimate liability related to these claims, due to a variety of factors, including those factors described above, there can be no assurance that the ultimate costs realized by us will fall within this range.

Volatility in both national and local housing market conditions can affect the frequency and cost of construction defect claims. Additionally, IBNR estimates comprise the majority of our liability and are subject to a high degree of uncertainty due to a variety of factors, including changes in claims reporting and resolution patterns, third party recoveries, insurance industry practices, the regulatory environment, and legal precedent. State regulations vary, but construction defect claims are typically reported and resolved over an extended period often exceeding ten years. Changes in the frequency and timing of reported claims and estimates of specific claim values can impact the underlying inputs and trends utilized in the actuarial analyses, which could have a material impact on the recorded reserves. Additionally, the amount of insurance coverage available for each policy period also impacts our recorded reserves. Because of the inherent uncertainty in estimating future losses and the timing of such losses related to these claims, actual costs could differ significantly from estimated costs.

Adjustments to reserves are recorded in the period in which the change in estimate occurs. During 2024 and 2023, we reduced general liability reserves by $333.9 million and $130.8 million, respectively, as a result of changes in estimates resulting from actual claim experience observed being less than anticipated in previous actuarial projections. The changes in actuarial estimates were driven by changes in actual claims experience that, in turn, impacted actuarial estimates for potential future claims. These changes in actuarial estimates did not involve any significant changes in actuarial methodology but did impact the development of estimates for future periods, which resulted in adjustments to the IBNR portion of our recorded liabilities. There were no material adjustments to individual claims. Rather, the adjustments reflect an overall lower level of losses related to construction defect claims in recent years as compared with our previous experience. We attribute the favorable experience in more recent years to a variety of factors, including improved construction techniques, rising home values, and increased participation from our subcontractors in resolving claims. The cumulative effect of these factors, as evidenced by the favorable claims experience for an extended period, have resulted in our actuarial estimates placing less weight on older, higher cost policy years and relatively more weight on more recent, lower cost policy years.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to market risk on our debt instruments primarily due to fluctuations in interest rates. We utilize both fixed-rate and variable-rate debt. For fixed-rate debt, changes in interest rates generally affect the fair value of the debt instrument but not our earnings or cash flows. Conversely, for variable-rate debt, changes in interest rates generally do not affect the fair value of the debt instrument but could affect our earnings and cash flows. Except in very limited circumstances, we do not have an obligation to prepay our debt prior to maturity. As a result, interest rate risk and changes in fair value should not have a significant impact on our fixed-rate debt until we are required or elect to refinance or repurchase such debt.

The following tables set forth the principal cash flows by scheduled maturity, weighted-average interest rates, and estimated fair value of our debt obligations as of December 31, 2024 and 2023 ($000's omitted).

	As of December 31, 2024 for the Years Ended December 31,							
	2025	2026	2027	2028	2029	Thereafter	Total	Fair Value
Rate-sensitive liabilities:								
Fixed rate debt	$ 10,563	$ 268,390	$ 337,277	$ 4,340	$ 4,340	$ 1,000,000	$ 1,624,910	$ 1,701,270
Average interest rate	2.82 %	5.30 %	5.00 %	5.00 %	5.00 %	6.71 %	6.09 %	
Variable rate debt *(a)*	$ 526,906	$ —	$ —	$ —	$ —	$ —	$ 526,906	$ 526,906
Average interest rate	6.13 %	— %	— %	— %	— %	— %	6.13 %	

	As of December 31, 2023 for the Years Ended December 31,							
	2024	2025	2026	2027	2028	Thereafter	Total	Fair Value
Rate-sensitive liabilities:								
Fixed rate debt	$ 48,111	$ 6,240	$ 463,359	$ 443,875	$ 4,340	$ 1,004,340	$ 1,970,265	$ 2,080,187
Average interest rate	2.98 %	1.22 %	5.44 %	5.00 %	— %	6.68 %	5.89 %	
Variable rate debt *(a)*	$ 499,627	$ —	$ —	$ —	$ —	$ —	$ 499,627	$ 499,267
Average interest rate	7.15 %	— %	— %	— %	— %	— %	7.15 %	

(a) Includes the Pulte Mortgage Repurchase Agreement. There were no borrowings outstanding under our Revolving Credit Facility at either December 31, 2024 or 2023.

Derivative instruments and hedging activities

Pulte Mortgage is exposed to market risks from commitments to lend, movements in interest rates, and canceled or modified commitments to lend. A commitment to lend at a specific interest rate (an interest rate lock commitment ("IRLC")) is a derivative financial instrument (interest rate is locked to the borrower). The interest rate risk continues through the loan closing and until the loan is sold to an investor. We are generally not exposed to variability in cash flows of derivative instruments for more than approximately 90 days. In periods of rising interest rates, the length of exposure will generally increase due to customers locking in an interest rate sooner as opposed to letting the interest rate float. In periods of low interest rates, the length of exposure will also generally increase as customers desire to lock before the possibility of rising rates.

In order to reduce these risks, we use derivative financial instruments, principally cash forward contracts on mortgage-backed securities and whole loan investor commitments, to economically hedge the IRLC. We generally enter into one of the aforementioned derivative financial instruments upon accepting IRLCs. Changes in the fair value of IRLCs and the other derivative financial instruments are recognized in Financial Services revenues. We do not use any derivative financial instruments for trading purposes.

At December 31, 2024 and 2023, residential mortgage loans available-for-sale had an aggregate fair value of $629.6 million and $516.1 million, respectively. At December 31, 2024 and 2023, we had aggregate IRLCs of $469.4 million and $404.7 million, respectively, which were originated at interest rates prevailing at the date of commitment. Unexpired forward contracts totaled $977.0 million and $745.0 million at December 31, 2024 and 2023, respectively, and whole loan investor commitments totaled $237.1 million and $207.9 million, respectively, at such dates. Hypothetical changes in the fair values of our financial instruments arising from immediate parallel shifts in long-term mortgage rates would not be material to our financial results due to the offsetting nature in the movements in fair value of our financial instruments.

SPECIAL NOTES CONCERNING FORWARD-LOOKING STATEMENTS

As a cautionary note, except for the historical information contained herein, certain matters discussed in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, and Item 7A, *Quantitative and Qualitative Disclosures About Market Risk*, are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to a number of risks, uncertainties and other factors that could cause our actual results, performance, prospects or opportunities, as well as those of the markets we serve or intend to serve, to differ materially from those expressed in, or implied by, these statements. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "plan," "project," "may," "can," "could," "might," "should," "will" and similar expressions identify forward-looking statements, including statements related to any potential impairment charges and the impacts or effects thereof, expected operating and performing results, planned transactions, planned objectives of management, future developments or conditions in the industries in which we participate and other trends, developments and uncertainties that may affect our business in the future.

Such risks, uncertainties and other factors include, among other things: interest rate changes and the availability of mortgage financing; the impact of any changes to our strategy in responding to the cyclical nature of the industry or deteriorations in industry changes or downward changes in general economic or other business conditions, including any changes regarding our land positions and the levels of our land spend; economic changes nationally or in our local markets, including inflation, deflation, changes in consumer confidence and preferences and the state of the market for homes in general; labor supply shortages and the cost of labor; the availability and cost of land and other raw materials used by us in our homebuilding operations; a decline in the value of the land and home inventories we maintain and resulting possible future writedowns of the carrying value of our real estate assets; competition within the industries in which we operate; rapidly changing technological developments including, but not limited to, the use of artificial intelligence in the homebuilding industry; governmental regulation directed at or affecting the housing market, the homebuilding industry or construction activities, slow growth initiatives and/or local building moratoria; the availability and cost of insurance covering risks associated with our businesses, including warranty and other legal or regulatory proceedings or claims; damage from improper acts of persons over whom we do not have control or attempts to impose liabilities or obligations of third parties on us; weather related slowdowns; the impact of climate change and related governmental regulation; adverse capital and credit market conditions, which may affect our access to and cost of capital; the insufficiency of our income tax provisions and tax reserves, including as a result of changing laws or interpretations; the potential that we do not realize our deferred tax assets; our inability to sell mortgages into the secondary market; uncertainty in the mortgage lending industry, including revisions to underwriting standards and repurchase requirements associated with the sale of mortgage loans, and related claims against us; risks associated with the implementation of a new enterprise resource planning system; risks related to information technology failures, data security issues, and the effect of cybersecurity incidents and threats; the impact of negative publicity on sales; failure to retain key personnel; the impairment of our intangible assets; the disruptions associated with the COVID-19 pandemic (or another epidemic or pandemic or similar public threat or fear of such an event), and the measures taken to address it; the effect of cybersecurity incidents and threats; and other factors of national, regional and global scale, including those of a political, economic, business and competitive nature. See Item 1A – Risk Factors for a further discussion of these and other risks and uncertainties applicable to our businesses. We undertake no duty to update any forward-looking statement, whether as a result of new information, future events or changes in our expectations.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

PULTEGROUP, INC.
CONSOLIDATED BALANCE SHEETS
December 31, 2024 and 2023
($000's omitted, except per share data)

	2024	2023
ASSETS		
Cash and equivalents	$ 1,613,327	$ 1,806,583
Restricted cash	40,353	42,594
Total cash, cash equivalents, and restricted cash	1,653,680	1,849,177
House and land inventory	12,665,813	11,795,370
Land held for sale	27,007	23,831
Residential mortgage loans available-for-sale	629,582	516,064
Investments in unconsolidated entities	215,416	166,913
Other assets	2,001,991	1,545,667
Goodwill	68,930	68,930
Intangible assets	46,303	56,338
Deferred tax assets	55,041	64,760
	$ 17,363,763	$ 16,087,050
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Accounts payable, including book overdrafts of $112,639 and $117,212 at December 31, 2024 and 2023, respectively	$ 727,995	$ 619,012
Customer deposits	512,580	675,091
Deferred tax liabilities	443,566	302,155
Accrued and other liabilities	1,412,166	1,645,690
Financial Services debt	526,906	499,627
Notes payable	1,618,586	1,962,218
Total liabilities	5,241,799	5,703,793
Shareholders' equity:		
Preferred shares, $0.01 par value; 25,000,000 shares authorized, none issued	$ —	$ —
Common shares, $0.01 par value; 500,000,000 shares authorized, 202,912,881 and 212,557,522 shares issued and outstanding at December 31, 2024 and 2023, respectively	2,029	2,126
Additional paid-in capital	3,425,384	3,368,407
Retained earnings	8,694,551	7,012,724
Total shareholders' equity	12,121,964	10,383,257
	$ 17,363,763	$ 16,087,050

See Notes to Consolidated Financial Statements.

PULTEGROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
For the years ended December 31, 2024, 2023, and 2022
(000's omitted, except per share data)

	2024	2023	2022
Revenues:			
Homebuilding			
Home sale revenues	$ 17,318,521	$ 15,598,707	$ 15,548,119
Land sale and other revenues	195,435	142,116	143,144
	17,513,956	15,740,823	15,691,263
Financial Services	432,994	320,755	311,716
Total revenues	17,946,950	16,061,578	16,002,979
Homebuilding Cost of Revenues:			
Home sale cost of revenues	(12,311,766)	(11,030,206)	(10,867,879)
Land sale and other cost of revenues	(189,893)	(124,607)	(119,906)
	(12,501,659)	(11,154,813)	(10,987,785)
Financial Services expenses	(224,086)	(187,280)	(180,696)
Selling, general, and administrative expenses	(1,321,276)	(1,312,642)	(1,381,222)
Equity income from unconsolidated entities, net	44,201	4,561	50,680
Other income (expense), net	61,749	37,863	(64,398)
Income before income taxes	4,005,879	3,449,267	3,439,558
Income tax expense	(922,617)	(846,895)	(822,241)
Net income	$ 3,083,262	$ 2,602,372	$ 2,617,317
Net income per share:			
Basic	$ 14.82	$ 11.79	$ 11.07
Diluted	$ 14.69	$ 11.72	$ 11.01
Cash dividends declared	$ 0.82	$ 0.68	$ 0.61
Number of shares used in calculation:			
Basic	208,107	219,958	235,010
Effect of dilutive securities	1,722	1,205	1,156
Diluted	209,829	221,163	236,166

See Notes to Consolidated Financial Statements.

PULTEGROUP, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2024, 2023, and 2022
($000's omitted)

	2024	2023	2022
Net income	$ 3,083,262	$ 2,602,372	$ 2,617,317
Other comprehensive income, net of tax:			
Change in value of derivatives	—	—	45
Other comprehensive income	—	—	45
Comprehensive income	$ 3,083,262	$ 2,602,372	$ 2,617,362

See Notes to Consolidated Financial Statements.

PULTEGROUP, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the years ended December 31, 2024, 2023, and 2022
(000's omitted)

	Common Shares					
	Shares	$	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
Shareholders' equity, December 31, 2021	249,326	$ 2,493	$ 3,290,791	$ (45)	$ 4,196,276	$ 7,489,515
Share issuances	676	7	6,024	—	—	6,031
Dividends declared	—	—	—	—	(143,134)	(143,134)
Share repurchases	(24,162)	(242)	—	—	(1,074,431)	(1,074,673)
Cash paid for shares withheld for taxes	—	—	—	—	(14,326)	(14,326)
Share-based compensation	—	—	33,323	—	—	33,323
Net income	—	—	—	—	2,617,317	2,617,317
Other comprehensive income	—	—	—	45	—	45
Shareholders' equity, December 31, 2022	225,840	$ 2,258	$ 3,330,138	$ —	$ 5,581,702	$ 8,914,098
Share issuances	511	6	4,835	—	—	4,841
Dividends declared	—	—	—	—	(149,806)	(149,806)
Share repurchases	(13,793)	(138)	—	—	(999,862)	(1,000,000)
Excise tax on share repurchases	—	—	—	—	(9,691)	(9,691)
Cash paid for shares withheld for taxes	—	—	—	—	(11,991)	(11,991)
Share-based compensation	—	—	33,434	—	—	33,434
Net income	—	—	—	—	2,602,372	2,602,372
Shareholders' equity, December 31, 2023	212,558	$ 2,126	$ 3,368,407	$ —	$ 7,012,724	$ 10,383,257
Share issuances	422	4	9,288	—	—	9,292
Dividends declared	—	—	—	—	(171,390)	(171,390)
Share repurchases	(10,067)	(101)	—	—	(1,199,898)	(1,199,999)
Excise tax on share repurchases	—	—	—	—	(11,550)	(11,550)
Cash paid for shares withheld for taxes	—	—	—	—	(18,597)	(18,597)
Share-based compensation	—	—	47,689	—	—	47,689
Net income	—	—	—	—	3,083,262	3,083,262
Shareholders' equity, December 31, 2024	202,913	$ 2,029	$ 3,425,384	$ —	$ 8,694,551	$ 12,121,964

See Notes to Consolidated Financial Statements.

PULTEGROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2024, 2023, and 2022
($000's omitted)

	2024	2023	2022
Cash flows from operating activities:			
Net income	$ 3,083,262	$ 2,602,372	$ 2,617,317
Adjustments to reconcile net income to net cash from operating activities:			
Deferred income tax expense	151,097	104,266	106,584
Land-related charges	34,572	43,115	66,656
Depreciation and amortization	89,162	80,824	70,918
Equity income from unconsolidated entities	(44,201)	(4,561)	(50,680)
Distributions of earnings from unconsolidated entities	2,557	4,564	49,151
Share-based compensation expense	54,690	48,200	42,989
Other, net	(13,460)	(1,421)	1,431
Increase (decrease) in cash due to:			
Inventories	(787,475)	(354,016)	(2,256,690)
Residential mortgage loans available-for-sale	(113,327)	160,934	266,310
Other assets	(489,623)	(290,631)	(140,761)
Accounts payable, accrued and other liabilities	(286,460)	(196,884)	(104,759)
Net cash provided by operating activities	1,680,794	2,196,762	668,466
Cash flows from investing activities:			
Capital expenditures	(118,545)	(92,201)	(112,661)
Investments in unconsolidated entities	(16,037)	(23,403)	(64,701)
Distributions of capital from unconsolidated entities	9,179	3,265	21,704
Business acquisition	—	—	(10,400)
Other investing activities, net	30,927	(16,756)	(5,685)
Net cash used in investing activities	(94,476)	(129,095)	(171,743)
Cash flows from financing activities:			
Repayments of notes payable	(355,826)	(123,290)	(4,856)
Borrowings under revolving credit facility	—	—	2,869,000
Repayments under revolving credit facility	—	—	(2,869,000)
Financial Services borrowings (repayments), net	27,279	(87,084)	(39,412)
Debt issuance costs	(1,534)	(1,572)	(11,167)
Proceeds from liabilities related to consolidated inventory not owned	50,047	129,656	58,729
Payments related to consolidated inventory not owned	(105,787)	(76,303)	(5,915)
Share repurchases	(1,199,999)	(1,000,000)	(1,074,673)
Excise tax on share repurchases	(9,691)	—	—
Cash paid for shares withheld for taxes	(18,597)	(11,991)	(14,326)
Dividends paid	(167,707)	(142,459)	(144,115)
Net cash used in financing activities	(1,781,815)	(1,313,043)	(1,235,735)
Net increase (decrease)	(195,497)	754,624	(739,012)
Cash, cash equivalents, and restricted cash at beginning of period	1,849,177	1,094,553	1,833,565
Cash, cash equivalents, and restricted cash at end of period	$ 1,653,680	$ 1,849,177	$ 1,094,553
Supplemental Cash Flow Information:			
Interest paid (capitalized), net	$ 26,052	$ 10,786	$ 1,797
Income taxes paid, net	$ 739,680	$ 784,453	$ 641,948

See Notes to Consolidated Financial Statements.

PULTEGROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of significant accounting policies

Basis of presentation

PulteGroup, Inc. is one of the largest homebuilders in the U.S., and our common shares trade on the New York Stock Exchange under the ticker symbol “PHM”. Unless the context otherwise requires, the terms "PulteGroup", the "Company", "we", "us", and "our" used herein refer to PulteGroup, Inc. and its subsidiaries. While our subsidiaries engage primarily in the homebuilding business, we also have mortgage banking operations, conducted principally through Pulte Mortgage LLC (“Pulte Mortgage”), and title and insurance agency operations.

The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles and include the accounts of PulteGroup, Inc. and all of its direct and indirect subsidiaries and variable interest entities in which PulteGroup, Inc. is deemed to be the primary beneficiary. All significant intercompany accounts, transactions, and balances have been eliminated in consolidation.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent events

We evaluated subsequent events up until the time the financial statements were filed with the Securities and Exchange Commission ("SEC").

Cash and equivalents

Cash and equivalents include institutional money market investments and time deposits with an original maturity of three months or less. Cash and equivalents at December 31, 2024 and 2023 also included $21.3 million and $43.2 million, respectively, of cash from home closings held in escrow for our benefit, typically for less than five days, which are considered deposits in-transit.

Restricted cash

We maintain certain cash balances that are restricted as to their use, including customer deposits on home sales that are temporarily restricted by regulatory requirements in certain states until title transfers to the homebuyer.

Investments in unconsolidated entities

We have investments in a number of unconsolidated entities, including joint ventures, with independent third parties. The equity method of accounting is used for unconsolidated entities over which we have significant influence; generally this represents ownership interests of at least 20% and not more than 50%. Under the equity method of accounting, we recognize our proportionate share of the earnings and losses of these entities. Certain of these entities sell land to us. We defer the recognition of profits from such activities until the time we ultimately sell the related land.

We evaluate our investments in unconsolidated entities for recoverability in accordance with ASC 323, “Investments – Equity Method and Joint Ventures”. If we determine that a loss in the value of the investment is other than temporary, we write down the investment to its estimated fair value. Any such losses are recorded to equity in (earnings) loss of unconsolidated entities, which is reflected in other income (expense), net. Due to uncertainties in the estimation process and the significant volatility in demand for new housing, actual results could differ significantly from such estimates. See Note 4.

Intangible assets

Goodwill, which represents the cost of acquired businesses in excess of the fair value of the net assets of such businesses at the acquisition date, totaled $68.9 million at both December 31, 2024 and 2023. We assess goodwill for impairment annually in the fourth quarter and if events or changes in circumstances indicate the carrying amount may not be recoverable.

Intangible assets consist primarily of tradenames acquired in connection with acquisitions and totaled $46.3 million, net of accumulated amortization of $108.3 million, at December 31, 2024, and $56.3 million, net of accumulated amortization of $98.2 million, at December 31, 2023. Such tradenames are generally being amortized over 20-year lives. Amortization expense totaled $10.0 million, $10.5 million, and $11.1 million in 2024, 2023 and 2022, respectively, and is expected to be $9.3 million in 2025, $8.9 million in 2026, $6.5 million in 2027, $6.3 million in 2028, and $4.5 million in 2029. The ultimate realization of these assets is dependent upon the future cash flows and benefits that we expect to generate from their use. We assess intangibles for impairment if events or changes in circumstances indicate the carrying amount may not be recoverable.

Property and equipment

Property and equipment are recorded at cost. Maintenance and repair costs are expensed as incurred. Depreciation is computed by the straight-line method based upon estimated useful lives as follows: office furniture and equipment - 3 to 10 years; leasehold improvements - life of the lease; software and hardware - 3 to 5 years; model park improvements and furnishings - 1 to 5 years. Property and equipment are included in other assets and totaled $253.1 million net of accumulated depreciation of $286.8 million at December 31, 2024 and $221.5 million net of accumulated depreciation of $264.4 million at December 31, 2023. Depreciation expense totaled $79.1 million, $70.3 million, and $59.8 million in 2024, 2023, and 2022, respectively.

Advertising costs

Advertising costs are expensed to selling, general, and administrative expense as incurred and totaled $74.6 million, $57.5 million, and $61.6 million, in 2024, 2023, and 2022, respectively.

Employee benefits

We maintain a defined contribution retirement plan that covers substantially all of our employees. Company contributions to the plan totaled $31.2 million, $27.8 million, and $27.6 million in 2024, 2023, and 2022, respectively.

Other income (expense), net

Other income (expense), net consists of the following ($000's omitted):

	2024	2023	2022
Write-offs of deposits and pre-acquisition costs (Note 2)	$ (18,266)	$ (23,512)	$ (63,559)
Amortization of intangible assets (Note 1)	(10,034)	(10,538)	(11,118)
Gain (loss) on debt retirement	(222)	663	—
Interest income	59,486	61,533	1,971
Interest expense	(479)	(469)	(284)
Miscellaneous, net *(a)*	31,264	10,186	8,592
Total other income (expense), net	$ 61,749	$ 37,863	$ (64,398)

(a) Includes a gain of $17.5 million in 2024 related to the sale of a non-homebuilding property.

Earnings per share

Basic earnings per share is computed by dividing income available to common shareholders (the "Numerator") by the weighted-average number of common shares, adjusted for unvested shares, (the "Denominator"), for the period. Computing diluted earnings per share is similar to computing basic earnings per share, except that the Denominator is increased to include the dilutive effects of unvested restricted share units and other potentially dilutive instruments. Anti-dilutive shares were immaterial in 2024, 2023, and 2022.

In accordance with Accounting Standards Codification ("ASC") 260, "Earnings Per Share", the two-class method determines earnings per share for each class of common stock and participating securities according to an earnings allocation formula that adjusts the Numerator for dividends or dividend equivalents and participation rights in undistributed earnings. Unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents are participating securities and, therefore, are included in computing earnings per share pursuant to the two-class method. A decreasing number of our outstanding restricted share units are considered participating securities such that there was no impact for the year ended December 31, 2024. The following table presents a reconciliation of the Numerator used in the earnings per share calculation for the years ended December 31, 2023 and 2022 ($000's omitted):

	December 31, 2023	December 31, 2022
Numerator:		
Net income	$ 2,602,372	$ 2,617,317
Less: earnings distributed to participating securities	(511)	(846)
Less: undistributed earnings allocated to participating securities	(8,990)	(15,330)
Numerator for basic earnings per share	$ 2,592,871	$ 2,601,141
Add: undistributed earnings allocated to participating securities	8,990	15,330
Less: undistributed earnings reallocated to participating securities	(8,923)	(15,229)
Numerator for diluted earnings per share	$ 2,592,938	$ 2,601,242

Share-based compensation

We measure compensation cost for share-based compensation on the grant date. Fair value for restricted share units is determined based on the quoted price of our common shares on the grant date. We recognize compensation expense for restricted share units, the majority of which cliff vest at the end of three years, ratably over the vesting period. For share-based awards containing performance conditions, we recognize compensation expense ratably over the vesting period when it is probable that the stated performance targets will be achieved and record cumulative adjustments in the period in which estimates change. Compensation expense related to our share-based awards is included in selling, general, and administrative expense, except for a small portion recognized in Financial Services expenses. Forfeitures of share-based awards are recognized as a reduction of expense as incurred. See Note 7.

Income taxes

The provision for income taxes is calculated using the asset and liability method, under which deferred tax assets and liabilities are recognized by identifying the temporary differences arising from the different treatment of items for tax and accounting purposes. In assessing the realizability of deferred tax assets, we consider whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is primarily dependent upon the generation of future taxable income. In determining the future tax consequences of events that have been recognized in the financial statements or tax returns, judgment is required. Differences between estimated and actual results could result in changes in the valuation of our deferred tax assets that could have a material impact on our consolidated results of operations or financial position. Changes in existing tax laws could also affect actual tax results including the valuation and realization of deferred tax assets and liabilities over time.

Unrecognized tax benefits represent the difference between tax positions taken or expected to be taken in a tax return and the benefits recognized for financial statement purposes. We follow the provisions of ASC 740, "Income Taxes", which prescribes a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. Significant judgment is required to evaluate uncertain tax positions. Our evaluations of tax positions consider a variety of factors, including relevant facts and circumstances, applicable tax law, correspondence with taxing authorities, and effective settlements of audit issues. Changes in the recognition or measurement of uncertain tax positions could result in material increases or decreases in income tax expense (benefit) in the period in which the change is made. Interest and penalties related to income taxes and unrecognized tax benefits are recognized as a component of income tax expense (benefit). See Note 8.

Revenue recognition

Home sale revenues - Home sale revenues and related profit are generally recognized when title to and possession of the home are transferred to the buyer at the home closing date. Our performance obligation to deliver the agreed-upon home is generally satisfied at the home closing date. Home sale contract assets consist of cash from home closings held in escrow for our benefit, typically for less than five days, which are considered deposits in-transit and classified as cash. Contract liabilities include customer deposit liabilities related to sold but undelivered homes, which totaled $512.6 million and $675.1 million at December 31, 2024 and 2023, respectively. Substantially all of our home sales are scheduled to close and be recorded to revenue within one year from the date of receiving a customer deposit. See Note 11 for information on warranties and related obligations.

Land sale and other revenues - We periodically elect to sell parcels of land to third parties in the event such assets no longer fit into our strategic operating plans or are zoned for commercial or other development. Land sales are generally outright sales of specified land parcels with cash consideration due on the closing date, which is generally when performance obligations are satisfied. Other revenues related to our construction services operations are generally recognized as materials are delivered and installation services are provided.

Financial Services revenues - Loan origination fees, commitment fees, and discount points are recognized upon loan origination. Expected gains and losses from the sale of residential mortgage loans and their related servicing rights are included in the measurement of interest rate lock commitments ("IRLCs") that are accounted for at fair value through Financial Services revenues at the time of commitment. Subsequent changes in the fair value of IRLCs and residential mortgage loans available for sale are reflected in Financial Services revenues as they occur. Interest income is accrued from the date a mortgage loan is originated until the loan is sold. Mortgage servicing fees represent fees earned for servicing loans until the loans are sold. Servicing fees are based on a contractual percentage of the outstanding principal balance and are credited to income when related mortgage payments are received.

Revenues associated with our title operations are recognized as closing services are rendered and title insurance policies are issued, both of which generally occur as each home is closed. Insurance agency commissions relate to commissions on home and other insurance policies placed with third party carriers through various agency channels. Our performance obligations for policy renewal commissions are considered satisfied upon issuance of the initial policy. The related contract assets for estimated future renewal commissions are included in other assets and totaled $91.1 million and $74.0 million at December 31, 2024 and 2023, respectively.

Sales incentives

Sales incentives primarily relate to discounts on the selling price of the home, payment of closing costs, including mortgage interest rate buydowns, or free products or services offered to the customer. Sales incentives are recorded as a reduction of home sale revenues at the home closing date.

Inventory and cost of revenues

Inventory is stated at cost unless the carrying value is determined to not be recoverable, in which case the affected inventory is written down to fair value. Cost includes land acquisition, land development, and home construction costs, including interest, real estate taxes, and certain direct and indirect overhead costs related to development and construction. For those communities for which construction and development activities have been idled, applicable interest and real estate taxes are expensed as incurred. Land acquisition and development costs are allocated to individual lots using an average lot cost determined based on the total expected land acquisition and development costs and the total expected home closings for the community. The specific identification method is used to accumulate home construction costs.

We capitalize interest cost into homebuilding inventories. Each layer of capitalized interest is amortized over a period that approximates the average life of communities under development. Interest expense is allocated over the period based on the timing of home closings.

Cost of revenues includes the construction cost, average lot cost, and estimated warranty costs applicable to the home. Sales commissions are classified within selling, general, and administrative expenses. The construction cost of the home includes amounts paid through the closing date of the home, plus an accrual for costs incurred but not yet paid. Total community land acquisition and development costs are based on an analysis of budgeted costs compared with actual costs incurred to date and estimates to complete. The development cycles for our communities range from under one year to in excess of ten years for certain master planned communities. Adjustments to estimated total land acquisition and development costs for the community affect the amounts costed for the community's remaining lots.

We test inventory for impairment when events and circumstances indicate that the undiscounted cash flows estimated to be generated by the community may be less than its carrying amount. Such indicators include gross margins or sales paces significantly below expectations, construction costs or land development costs significantly in excess of budgeted amounts, significant delays or changes in the planned development or strategy for the community, and other known qualitative factors. Communities that demonstrate potential impairment indicators are tested for impairment by comparing the expected undiscounted cash flows for the community to its carrying value. For those communities whose carrying values exceed the expected undiscounted cash flows, we estimate 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. See Note 2.

Land held for sale

We periodically elect to sell parcels of land to third parties in the event such assets no longer fit into our strategic operating plans or are zoned for commercial or other development. Land held for sale is recorded at the lower of cost or fair value less costs to sell. In determining the fair value of land held for sale, we consider recent offers received, prices for land in recent comparable sales transactions, and other factors. We record net realizable value adjustments for land held for sale within Homebuilding land sale cost of revenues. See Note 2.

Warranty liabilities

Homebuyers are provided with a limited warranty against certain building defects, including a one-year comprehensive limited warranty and coverage for certain other aspects of the home's construction and operating systems for periods of up to (and in limited instances exceeding) 10 years. We estimate the costs to be incurred under these warranties and record a liability in the amount of such costs at the time revenue is recognized (see Note 11).

Self-insured risks

We maintain, and require the majority of our subcontractors to maintain, general liability insurance coverage, including coverage for certain construction defects. We also maintain builders' risk, property, errors and omissions, workers compensation, and other business insurance coverage. These insurance policies protect us against a portion of the risk of loss from claims, subject to certain self-insured per occurrence and aggregate retentions, deductibles, and available policy limits. However, we retain a significant portion of the overall risk for such claims. We reserve for these costs on an undiscounted basis at the time revenue is recognized for each home closing and evaluate the recorded liabilities based on actuarial analyses of our historical claims, which include estimates of claims incurred but not yet reported. Adjustments to estimated reserves are recorded in the period in which the change in estimate occurs. Costs associated with our insurance programs are classified within selling, general, and administrative expenses. In certain instances, we have the ability to recover a portion of our costs under various insurance policies or from our subcontractors or other third parties. Estimates of such amounts are recorded when recovery is considered probable. See Note 11.

Residential mortgage loans available-for-sale

Substantially all of the loans originated by us and their related servicing rights are sold in secondary markets within a short period of time after origination, generally within 30 days. In accordance with ASC 825, "Financial Instruments", we use the fair value option to record residential mortgage loans available-for-sale. Election of the fair value option for these loans allows a better offset of the changes in fair values of the loans and the derivative instruments used to economically hedge them without having to apply complex hedge accounting provisions. We do not designate any derivative instruments as hedges or apply the hedge accounting provisions of ASC 815, "Derivatives and Hedging". See Note 11 for discussion of the risks retained related to mortgage loan originations.

Expected gains and losses from the sale of residential mortgage loans and their related servicing rights are included in the measurement of IRLCs that are accounted for at fair value through Financial Services revenues at the time of commitment. Subsequent changes in the fair value of these loans are reflected in Financial Services revenues as they occur. At December 31, 2024 and 2023, residential mortgage loans available-for-sale had an aggregate fair value of $629.6 million and $516.1 million, respectively, and an aggregate outstanding principal balance of $645.7 million and $508.5 million, respectively. These changes in fair value were substantially offset by changes in fair value of the corresponding derivative instruments. Net gains from the sale of mortgages during 2024, 2023, and 2022 were $235.1 million, $149.8 million, and $157.3 million, respectively, and have been included in Financial Services revenues.

Mortgage servicing rights

We sell the servicing rights for the loans we originate through fixed price servicing sales contracts to reduce the risks and costs inherent in servicing loans. This strategy results in owning the servicing rights for only a short period of time. The servicing sales contracts provide for the reimbursement of payments made by the purchaser if loans prepay within specified periods of time, generally within 90 to 120 days after sale. We establish reserves for this exposure at the time the sale is recorded. Such reserves were immaterial at December 31, 2024 and 2023.

Interest income on mortgage loans

Interest income on mortgage loans is recorded in Financial Services revenues, accrued from the date a mortgage loan is originated until the loan is sold, and totaled $26.8 million, $20.4 million, and $14.2 million in 2024, 2023, and 2022, respectively. Loans are placed on non-accrual status once they become greater than 90 days past due their contractual terms. Subsequent payments received are applied according to the contractual terms of the loan. Mortgage discounts are not amortized as interest income due to the short period the loans are held until sale to third party investors.

Derivative instruments and hedging activities

We are party to IRLCs with customers resulting from our mortgage origination operations. At December 31, 2024 and 2023, we had aggregate IRLCs of $469.4 million and $404.7 million, respectively, which were originated at interest rates prevailing at the date of commitment. Since we can terminate a loan commitment if the borrower does not comply with the terms of the contract, and some loan commitments may expire without being drawn upon, these commitments do not necessarily represent future cash requirements. We evaluate the creditworthiness of these transactions through our normal credit policies.

We hedge our exposure to interest rate market risk relating to residential mortgage loans available-for-sale and IRLCs using forward contracts on mortgage-backed securities, which are commitments to either purchase or sell a specified financial instrument at a specified future date for a specified price, and whole loan investor commitments, which are obligations of an investor to buy loans at a specified price within a specified time period. Forward contracts on mortgage-backed securities are the predominant derivative financial instruments we use to minimize market risk during the period from the time we extend an interest rate lock to a loan applicant until the time the loan is sold to an investor. At December 31, 2024 and 2023, we had unexpired forward contracts of $977.0 million and $745.0 million, respectively, and whole loan investor commitments of $237.1 million and $207.9 million, respectively. Changes in the fair value of IRLCs and other derivative financial instruments are recognized in Financial Services revenues, and the fair values are reflected in other assets or other liabilities, as applicable.

There are no credit-risk-related contingent features within our derivative agreements, and counterparty risk is considered minimal. Gains and losses on IRLCs are substantially offset by corresponding gains or losses on forward contracts on mortgage-backed securities and whole loan investor commitments. We are generally not exposed to variability in cash flows of derivative instruments for more than approximately 90 days.

The fair values of derivative instruments and their location in the Consolidated Balance Sheets are summarized below ($000’s omitted):

	December 31, 2024		December 31, 2023	
	Other Assets	Other Liabilities	Other Assets	Other Liabilities
IRLCs	$ 1,452	$ 14,946	$ 3,926	$ 1,506
Forward contracts	13,233	1,943	110	26,104
Whole loan commitments	50	80	24	47
	$ 14,735	$ 16,969	$ 4,060	$ 27,657

Credit losses

We are exposed to credit losses primarily through our vendors and insurance carriers. We assess and monitor each counterparty's ability to pay amounts owed by considering contractual terms and conditions, the counterparty's financial condition, macroeconomic factors, and business strategy. Our assets exposed to credit losses consist primarily of insurance receivables, contract assets related to insurance agency commissions, accounts receivable, and vendor rebate receivables. Counterparties associated with these assets are generally highly rated. Allowances on the aforementioned assets were not material as of December 31, 2024.

New accounting pronouncements

In 2024, we adopted ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"), which requires expanded disclosure of significant segment expenses and other segment items on an annual and interim basis. See Note 3.

In December 2023, FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"), which requires expanded disclosure of our income rate reconciliation and income taxes paid. ASU 2023-09 is effective for us for annual periods beginning after December 31, 2024. We are currently evaluating the impact ASU 2023-09 will have on our financial 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"), which requires disaggregated disclosure of certain costs and expenses on an interim and annual basis in the notes to the financial statements. ASU 2024-03 is effective for us for annual periods beginning after December 31, 2026. We are currently evaluating the impact ASU 2024-03 will have on our financial statement disclosures.

2. Inventory

Major components of inventory at December 31, 2024 and 2023 were ($000's omitted):

	2024	2023
Homes under construction	$ 5,770,355	$ 5,262,850
Land under development	6,243,745	5,805,993
Raw land	548,848	606,005
Consolidated inventory not owned *(a)*	102,865	120,522
	$ 12,665,813	$ 11,795,370

(a) Consolidated inventory not owned includes land sold to third parties for which the Company retains a repurchase option.

In all periods presented, we capitalized all Homebuilding interest costs into inventory because the level of our active inventory exceeded our debt levels. Activity related to interest capitalized into inventory is as follows ($000's omitted):

	Years Ended December 31,		
	2024	2023	2022
Interest in inventory, beginning of period	$ 139,078	$ 137,262	$ 160,756
Interest capitalized	112,416	126,040	130,051
Interest expensed	(111,534)	(124,224)	(153,545)
Interest in inventory, end of period	$ 139,960	$ 139,078	$ 137,262

Land option agreements

We enter into land option agreements in order to procure land for the construction of homes in the future. Pursuant to these land option agreements, we generally provide a deposit to the seller as consideration for the right to purchase land at different times in the future, usually at predetermined prices. Such contracts enable us to defer acquiring portions of properties owned by third parties or unconsolidated entities until we have determined whether and when to exercise our option, which may serve to reduce our financial risks associated with long-term land holdings. Option deposits and pre-acquisition costs (such as environmental testing, surveys, engineering, and entitlement costs) are capitalized if the costs are directly identifiable with the land under option, the costs would be capitalized if we owned the land, and acquisition of the property is probable. Such costs are reflected in other assets and are reclassified to inventory upon taking title to the land. We write off deposits and pre-acquisition costs when it becomes probable that we will not go forward with the project or recover the capitalized costs. Such decisions take into consideration changes in local market conditions, the timing of required land purchases, the availability and best use of necessary incremental capital, and other factors. We record any such write-offs of deposits and pre-acquisition costs within other income (expense), net. See Note 1.

If an entity holding the land under option is a variable interest entity ("VIE"), our deposit represents a variable interest in that entity. No VIEs required consolidation at either December 31, 2024 or 2023 because we determined that we were not the primary beneficiary. Our maximum exposure to loss related to these VIEs is generally limited to our deposits and pre-acquisition costs under the applicable land option agreements. The following provides a summary of our interests in land option agreements ($000's omitted):

	December 31, 2024		December 31, 2023	
	Deposits and Pre-acquisition Costs	Remaining Purchase Price	Deposits and Pre-acquisition Costs	Remaining Purchase Price
Land options with VIEs	$ 358,066	$ 3,104,196	$ 238,070	$ 1,916,558
Other land options	700,397	6,127,486	466,139	4,531,566
	$ 1,058,463	$ 9,231,682	$ 704,209	$ 6,448,124

Land-related charges

We recorded the following land-related charges ($000's omitted):

	Statement of Operations Classification	2024	2023	2022
Net realizable value adjustments ("NRV") - land held for sale	Land sale and other cost of revenues	$ 4,318	$ —	$ 107
Land impairments	Home sale cost of revenues	11,988	19,603	2,990
Write-offs of deposits and pre-acquisition costs	Other income (expense), net	18,266	23,512	63,559
Total land-related charges		$ 34,572	$ 43,115	$ 66,656

Our evaluations for land-related charges are based on our best estimates of the future cash flows for our communities. Due to uncertainties in the estimation process, the significant volatility in demand for new housing, the long life cycles of certain of our communities, and potential changes in our strategy related to certain communities, actual results could differ significantly from such estimates.

3. Segment information

Our Homebuilding operations are engaged in the acquisition and development of land primarily for residential purposes within the U.S. and the construction of housing on such land. Home sale revenues for detached and attached homes were $14.5 billion and $2.8 billion in 2024, $13.1 billion and $2.5 billion in 2023, and $13.2 billion and $2.3 billion in 2022, respectively. For reporting purposes, our Homebuilding operations are aggregated into six reportable segments:

Northeast:	*Maryland, Massachusetts, New Jersey, Pennsylvania, Virginia*
Southeast:	*Georgia, North Carolina, South Carolina, Tennessee*
Florida:	*Florida*
Midwest:	*Illinois, Indiana, Kentucky, Michigan, Minnesota, Ohio*
Texas:	*Texas*
West:	*Arizona, California, Colorado, Nevada, New Mexico, Oregon, Utah, Washington*

We also have a reportable segment for our Financial Services operations, which consist principally of mortgage banking, title, and insurance agency operations. The Financial Services segment operates generally in the same markets as the Homebuilding segments. Evaluation of segment performance is generally based on income before income taxes. Each reportable segment generally follows the same accounting policies described in Note 1.

In 2024, we adopted ASU 2023-07, which requires expanded disclosure of significant segment expenses and other segment items on an annual and interim basis. The adoption of ASU 2023-07 impacted the presentation of the performance measures presented in the below tables. Information for previous periods in the below tables conforms with the current year presentation.

Our Chief Executive Officer ("CEO"), who has been identified as the chief operating decision maker for the purposes of the following reportable segment disclosures, is regularly provided operating results of individual operating segments which comprise our reportable segments. These operating results include key operating metrics which inform the CEO's decisions regarding allocation of resources and assessment of our overall operational performance. These operating results are reviewed against actual and forecasted figures, with income before income taxes being the key operating metric used to measure profit or loss.

	Operating Data by Segment ($000's omitted) Years Ended December 31,		
	2024	**2023**	**2022**
Revenues:			
Northeast	$ 1,068,199	$ 969,107	$ 1,062,764
Southeast	2,880,882	2,669,065	2,761,629
Florida	4,706,048	4,650,355	3,816,917
Midwest	2,590,309	2,084,807	2,289,216
Texas	2,140,699	2,040,164	2,180,852
West	3,933,430	3,182,947	3,436,741
Other homebuilding *(a)*	194,389	144,378	143,144
	17,513,956	15,740,823	15,691,263
Financial Services	432,994	320,755	311,716
Consolidated revenues	$ 17,946,950	$ 16,061,578	$ 16,002,979
Cost of Revenues			
Northeast	$ (729,284)	$ (665,616)	$ (727,640)
Southeast	(1,948,510)	(1,792,371)	(1,804,862)
Florida	(3,153,767)	(3,040,705)	(2,511,830)
Midwest	(1,854,693)	(1,521,994)	(1,713,031)
Texas	(1,526,930)	(1,434,639)	(1,471,186)
West	(3,017,970)	(2,476,076)	(2,490,505)
Other homebuilding *(b)*	(270,505)	(223,412)	(268,731)
	(12,501,659)	(11,154,813)	(10,987,785)

	Operating Data by Segment ($000's omitted) Years Ended December 31,		
	2024	**2023**	**2022**
SG&A:			
Northeast	$ (94,925)	$ (85,666)	$ (86,559)
Southeast	(287,274)	(255,327)	(251,062)
Florida	(427,392)	(396,978)	(354,284)
Midwest	(236,195)	(196,159)	(209,579)
Texas	(257,490)	(224,434)	(245,680)
West	(341,613)	(284,392)	(301,175)
Other homebuilding *(c)*	323,613	130,314	67,117
	(1,321,276)	(1,312,642)	(1,381,222)
Other Segment Items *(d)*:			
Northeast	$ (13,994)	$ (7,317)	$ (14,058)
Southeast	(13,571)	(17,524)	(34,223)
Florida	(3,578)	(19,191)	(35,341)
Midwest	(9,236)	(12,688)	(20,795)
Texas	(10,685)	(9,189)	(21,215)
West	(21,008)	(42,486)	(7,068)
Other homebuilding *(e)*	176,975	151,102	117,772
	104,903	42,707	(14,928)
Financial Services	(223,039)	(187,563)	(179,486)
	$ (118,136)	$ (144,856)	$ (194,414)
Income (loss) before income taxes *(f)*:			
Northeast	$ 229,996	$ 210,508	$ 234,507
Southeast	631,527	603,843	671,482
Florida	1,121,311	1,193,481	915,462
Midwest	490,185	353,966	345,811
Texas	345,594	371,902	442,771
West	552,839	379,993	637,993
Other homebuilding	424,472	202,382	59,302
	3,795,924	3,316,075	3,307,328
Financial Services	209,955	133,192	132,230
Consolidated income before income taxes	$ 4,005,879	$ 3,449,267	$ 3,439,558

(a) *Other Homebuilding includes revenues from land sales and construction services.*

(b) *Other Homebuilding includes cost of revenues related to land sales, construction services, and amortization of capitalized interest.*

(c) *Other Homebuilding includes insurance reserve reversals of $333.9 million, $130.8 million, and $65.0 million in 2024, 2023 and 2022, respectively (see Note 11). Other Homebuilding also includes eliminations of corporate overhead allocated to the operating segments.*

(d) *Other Segment Items reflects other sources of income and expense, including internal capital charge allocations that are eliminated within Other Homebuilding.*

(e) *Other Homebuilding includes income from unconsolidated entities, interest, the amortization of intangible assets, and other items not allocated to the operating segments. Other Homebuilding also includes a gain of $39.5 million in 2024 related to the sale of our minority interest in a joint venture.*

(f) *Includes certain land-related charges (see the following table and Note 2). Also includes gains related to sales of individual properties of $17.5 million in Florida in 2024, $10.7 million in West in 2024, and $49.1 million.in West in 2022.*

	Operating Data by Segment ($000's omitted) Years Ended December 31,		
	2024	2023	2022
Land-related charges*:			
Northeast	$ 8,142	$ 497	$ 4,597
Southeast	4,006	7,853	18,381
Florida	2,804	2,683	13,515
Midwest	1,598	7,786	6,517
Texas	9,643	3,661	6,745
West	7,412	19,343	16,406
Other homebuilding	967	1,292	495
	$ 34,572	$ 43,115	$ 66,656

* *Land-related charges include land impairments, NRV adjustments for land held for sale, and write-offs of deposits and pre-acquisition costs for land option contracts we elected not to pursue. See Note 2 for additional discussion of these charges.*

	Operating Data by Segment ($000's omitted) Years Ended December 31,		
	2024	2023	2022
Depreciation and amortization:			
Northeast	$ 2,882	$ 3,365	$ 2,956
Southeast	6,940	6,056	5,151
Florida	15,623	13,471	11,720
Midwest	8,229	8,207	7,035
Texas	6,911	6,214	5,591
West	15,482	12,438	11,840
Other homebuilding	23,997	22,992	19,929
	80,064	72,743	64,222
Financial Services	9,098	8,081	6,696
	$ 89,162	$ 80,824	$ 70,918

Operating Data by Segment
($000's omitted)
December 31,

	2024		2023	
	Total Inventory	Total Assets	Total Inventory	Total Assets
Northeast	$ 716,530	$ 807,922	$ 689,221	$ 775,316
Southeast	2,006,958	2,298,692	1,796,815	1,994,492
Florida	3,246,588	3,676,910	2,917,327	3,274,328
Midwest	1,401,747	1,529,602	1,359,179	1,476,166
Texas	1,645,213	1,905,394	1,538,287	1,686,609
West	3,684,393	4,212,636	3,391,504	3,752,089
Other homebuilding *(a)*	(35,616)	1,934,728	103,037	2,287,550
	12,665,813	16,365,884	11,795,370	15,246,550
Financial Services	—	997,879	—	840,500
	$ 12,665,813	$ 17,363,763	$ 11,795,370	$ 16,087,050

(a) *Other homebuilding primarily includes cash and equivalents, capitalized interest, intangibles, deferred tax assets, other corporate items that are not allocated to the operating segments, and eliminations of certain inventory not owned and land held for sale allocated to the operating segments. Other homebuilding also includes goodwill of $68.9 million, net of cumulative impairment charges of $20.2 million at December 31, 2024 and 2023.*

4. Investments in unconsolidated entities

We participate in a number of joint ventures and other investments with independent third parties. These entities generally purchase, develop, and sell land, including selling land to us for use in our Homebuilding operations. Our investments in such entities totaled $215.4 million and $166.9 million at December 31, 2024 and 2023, respectively. In 2024, 2023, and 2022, we recognized earnings from unconsolidated joint ventures of $44.2 million, $4.6 million, and $50.7 million, respectively. We received distributions of capital from our unconsolidated joint ventures of $9.2 million, $3.3 million, and $21.7 million in 2024, 2023, and 2022, respectively. We made capital contributions to our unconsolidated joint ventures of $16.0 million, $23.4 million, and $64.7 million in 2024, 2023, and 2022, respectively.

At December 31, 2024, aggregate outstanding debt of unconsolidated joint ventures was $31.1 million.

The timing of cash flows related to a joint venture and any related financing agreements varies by agreement. If additional capital contributions are required and approved by the joint venture, we would need to contribute our pro rata portion of those capital needs in order to not dilute our ownership in the joint ventures. While future capital contributions may be required, we believe the total amount of such contributions will be limited. Our maximum financial exposure related to joint ventures is unlikely to exceed the combined investment and limited recourse guaranty totals.

5. Debt

Our notes payable are summarized as follows ($000's omitted):

	December 31,	
	2024	2023
5.500% unsecured senior notes due March 2026 *(a)*	$ 251,867	$ 455,424
5.000% unsecured senior notes due January 2027 *(a)*	337,277	443,875
7.875% unsecured senior notes due June 2032 *(a)*	300,000	300,000
6.375% unsecured senior notes due May 2033 *(a)*	400,000	400,000
6.000% unsecured senior notes due February 2035 *(a)*	300,000	300,000
Net premiums, discounts, and issuance costs *(b)*	(6,324)	(8,047)
Total senior notes	$ 1,582,820	$ 1,891,252
Other notes payable	35,766	70,966
Notes payable	$ 1,618,586	$ 1,962,218
Estimated fair value	$ 1,701,270	$ 2,080,187

(a) Redeemable prior to maturity; guaranteed on a senior basis by certain wholly-owned subsidiaries.

(b) The carrying value of senior notes reflects the impact of premiums, discounts, and issuance costs that are amortized to interest cost over the respective terms of the senior notes.

The indentures governing the senior notes impose certain restrictions on the incurrence of additional debt along with other limitations. At December 31, 2024, we were in compliance with all of the covenants and requirements under the senior notes.

We retired outstanding debt totaling $355.8 million, $123.3 million, and $4.9 million during 2024, 2023, and 2022, respectively. The retirements in 2024 included open market repurchases of $193.4 million and $106.6 million of our unsecured senior notes scheduled to mature in 2026 and 2027, respectively. Our total repurchases during the twelve months ended 2024, including open market repurchases, were $310.2 million.

Other notes payable

Other notes payable include non-recourse and limited recourse collateralized notes with third parties that totaled $35.8 million and $71.0 million at December 31, 2024 and 2023, respectively. These notes have maturities ranging up to five years, are secured by the applicable land positions to which they relate, and generally have no recourse to any other assets. The stated interest rates on these notes range up to 5%. We recorded inventory through seller financing of $54.9 million, $46.7 million, and $39.1 million in 2024, 2023, and 2022, respectively.

Revolving credit facility

We maintain a revolving credit facility ("Revolving Credit Facility") maturing in June 2027 that has a maximum borrowing capacity of $1.3 billion and contains an uncommitted accordion feature that could increase the capacity to $1.8 billion, subject to certain conditions and availability of additional bank commitments. The Revolving Credit Facility also provides for the issuance of letters of credit that reduce the available borrowing capacity under the Revolving Credit Facility, up to the maximum borrowing capacity. The interest rate on borrowings under the Revolving Credit Facility may be based on either the Secured Overnight Financing Rate or a base rate plus an applicable margin, as defined therein. The Revolving Credit Facility contains financial covenants that require us to maintain a minimum Tangible Net Worth and a maximum Debt-to-Capitalization Ratio (as each term is defined in the Revolving Credit Facility). As of December 31, 2024, we were in compliance with all covenants and requirements. Outstanding balances under the Revolving Credit Facility are guaranteed by certain of our wholly-owned subsidiaries.

At December 31, 2024, we had no borrowings outstanding, $321.1 million of letters of credit issued, and $928.9 million of remaining capacity under the Revolving Credit Facility. At December 31, 2023, we had no borrowings outstanding, $312.7 million of letters of credit issued, and $937.3 million of remaining capacity under the Revolving Credit Facility.

Financial Services debt

Pulte Mortgage maintains a master repurchase agreement with third-party lenders entered into in August 2023 (the "Original Repurchase Agreement", and as amended, the "Repurchase Agreement") that matures on August 13, 2025. The maximum aggregate commitment was $675.0 million at December 31, 2024 and decreased to $650.0 million at January 14, 2025, which continues until maturity. The Repurchase Agreement also contains an accordion feature that could increase the commitment by $50.0 million above its active commitment level. Borrowings under the Repurchase Agreement are secured by residential mortgage loans available-for-sale. The Repurchase Agreement contains various affirmative and negative covenants applicable to Pulte Mortgage, including quantitative thresholds related to net worth, net income, and liquidity. At December 31, 2024, Pulte Mortgage had $526.9 million outstanding at a weighted average interest rate of 6.13%, and $148.1 million of remaining capacity under the Repurchase Agreement. At December 31, 2023, Pulte Mortgage had $499.6 million outstanding at a weighted average interest rate of 7.15% and $350.4 million of remaining capacity under the Original Repurchase Agreement, as amended, replaced by the Repurchase Agreement. Pulte Mortgage was in compliance with all of its covenants and requirements as of such dates.

6. Shareholders' equity

We declared quarterly cash dividends totaling $171.4 million, $149.8 million, and $143.1 million in 2024, 2023, and 2022, respectively. Under a share repurchase program authorized by our Board of Directors, we repurchased 10.1 million, 13.8 million, and 24.2 million shares in 2024, 2023, and 2022, respectively, for a total of $1.2 billion, $1.0 billion, and $1.1 billion in 2024, 2023, and 2022, respectively. On January 29, 2024, the Board of Directors increased our share repurchase authorization by $1.5 billion. At December 31, 2024, we had remaining authorization to repurchase $682.9 million of common shares. On January 29, 2025, the Board of Directors increased our share repurchase authorization by an additional $1.5 billion.

Under our stock compensation plans, we accept shares as payment under certain conditions related to vesting of restricted shares and share units, generally related to the payment of tax obligations. During 2024, 2023, and 2022, employees surrendered shares valued at $18.6 million, $12.0 million, and $14.3 million, respectively, under these plans. Such share transactions are excluded from the above noted share repurchase authorization.

7. Stock compensation plans

We maintain a stock award plan for both employees and non-employee directors. The plan provides for the grant of a variety of equity awards, including time-based and performance-based restricted share units ("RSUs") to key employees for periods not to exceed ten years. Non-employee directors are awarded an annual distribution of common shares. RSUs represent the right to receive an equal number of common shares and are converted into common shares upon distribution. Time-based RSUs generally cliff vest after three years, and RSU holders earn cash or accrued dividends during the vesting period. Performance-based RSUs vest upon attainment of the stated performance targets and minimum service requirements and are converted into common shares upon distribution. As of December 31, 2024, there were 10.3 million shares that remained available for grant under the plan. Our stock compensation expense is presented below ($000's omitted):

	2024	2023	2022
RSUs	$ 31,821	$ 28,112	$ 33,323
Other long-term incentive plans	22,869	20,088	9,666
	$ 54,690	$ 48,200	$ 42,989

RSUs

A summary of RSUs is presented below (000's omitted, except per share data):

	2024		2023		2022	
	Shares	Weighted-Average Per Share Grant Date Fair Value	Shares	Weighted-Average Per Share Grant Date Fair Value	Shares	Weighted-Average Per Share Grant Date Fair Value
Outstanding, beginning of year	1,659	$ 54	1,628	$ 48	1,995	$ 39
Granted	307	107	714	59	550	54
Distributed	(496)	46	(550)	44	(813)	28
Forfeited	(39)	66	(133)	52	(104)	48
Outstanding, end of year	1,431	$ 67	1,659	$ 54	1,628	$ 48

During 2024, 2023, and 2022, the total fair value of shares vested during the year was $52.6 million, $33.8 million, and $40.5 million, respectively. Unamortized compensation cost related to share awards was $29.4 million at December 31, 2024. These costs will be expensed over a weighted-average period of approximately two years. Additionally, there were 0.2 million deferred shares at December 31, 2024, that had vested but had not yet been paid out because the payout date had been deferred by the holders.

Other long-term incentive plans

We maintain long-term incentive plans for senior management and other employees that provide awards based on the achievement of stated performance targets over three-year periods. Awards are denominated in either restricted stock units or dollars that are settled in common shares based on the stock price at the end of the performance period. We recognize the expense associated with the awards based on the probability of achieving the stated performance targets at each reporting period.

8. Income taxes

Components of current and deferred income tax expense (benefit) are as follows ($000's omitted):

	2024	2023	2022
Current expense			
Federal	$ 649,308	$ 622,205	$ 615,434
State and other	122,212	120,424	100,223
	$ 771,520	$ 742,629	$ 715,657
Deferred expense			
Federal	$ 120,415	$ 72,854	$ 55,653
State and other	30,682	31,412	50,931
	$ 151,097	$ 104,266	$ 106,584
Income tax expense	$ 922,617	$ 846,895	$ 822,241

The following table reconciles the statutory federal income tax rate to the effective income tax rate:

	2024	2023	2022
Income taxes at federal statutory rate	21.0 %	21.0 %	21.0 %
State and local income taxes, net of federal tax	3.6	3.5	3.4
Federal tax credits	(1.1)	(0.2)	(0.9)
Other	(0.5)	0.3	0.4
Effective rate	23.0 %	24.6 %	23.9 %

The effective tax rates differ from the federal statutory rate primarily due to state income tax expense and benefits associated with various federal energy tax credits.

Deferred tax assets and liabilities reflect temporary differences arising from the different treatment of items for tax and accounting purposes. Components of our net deferred tax liability are as follows ($000's omitted):

	At December 31,	
	2024	2023
Deferred tax assets:		
Accrued insurance	$ 92,283	$ 140,126
Inventory valuation reserves	51,370	58,819
Capitalized inventory expenses	43,338	39,037
State NOL carryforwards	73,550	83,601
Other	66,055	65,432
	326,596	387,015
Deferred tax liabilities:		
Deferred income	(630,888)	(537,855)
Fixed assets and intangibles	(21,882)	(27,890)
Other	(39,983)	(33,909)
	(692,753)	(599,654)
Valuation allowance	(22,368)	(24,756)
Net deferred tax liability	$ (388,525)	$ (237,395)

We have state NOLs in various jurisdictions that may generally be carried forward up to 20 years, depending on the jurisdiction. Our state NOL carryforward deferred tax assets will expire if unused at various dates as follows: $31.9 million from 2025 to 2029 and $41.7 million from 2030 and thereafter.

We evaluate our 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 the deferred tax assets would not be realized. The ultimate realization of these deferred tax assets is dependent upon the generation of sufficient taxable income during future periods. We conduct our evaluation by considering all available positive and negative evidence, including, among other factors, historical operating results, forecasts of future profitability, the duration of statutory carryforward periods, and the outlooks for the U.S. housing industry and broader economy.

The accounting for deferred taxes is based upon estimates of future results. Differences between estimated and actual results could result in changes in the valuation of our deferred tax assets that could have a material impact on our consolidated results of operations or financial position. Changes in existing tax laws could also affect actual tax results and the realization of deferred tax assets over time.

Unrecognized tax benefits represent the difference between tax positions taken or expected to be taken in a tax return and the benefits recognized for financial statement purposes. We had $38.7 million and $58.2 million of gross unrecognized tax benefits at December 31, 2024 and 2023, respectively. If recognized, $30.6 million and $46.0 million, respectively, of these amounts would impact our effective tax rate. Additionally, we had accrued interest and penalties of $1.9 million and $6.3 million at December 31, 2024 and 2023, respectively.

We do not expect the total amount of gross unrecognized tax benefits to increase or decrease by a material amount within the next twelve months. A reconciliation of the change in the unrecognized tax benefits is as follows ($000's omitted):

	2024	2023	2022
Unrecognized tax benefits, beginning of period	$ 58,228	$ 23,612	$ 22,536
Increases related to positions taken during a prior period	544	34,687	—
Decreases related to positions taken during a prior period	(17,992)	—	(303)
Increases related to positions taken during the current period	—	—	1,450
Decreases related to settlements with taxing authorities	(1,994)	—	—
Decreases related to lapse of the applicable statute of limitations	(71)	(71)	(71)
Unrecognized tax benefits, end of period	$ 38,715	$ 58,228	$ 23,612

We continue to participate in the Compliance Assurance Process ("CAP") with the IRS as an alternative to the traditional IRS examination process. Through the CAP program, we work with the IRS to achieve tax compliance by resolving issues prior to filing the tax return. We are also currently under examination by state taxing jurisdictions and anticipate finalizing certain of the examinations within the next twelve months. The outcome of these examinations is not yet determinable, and we are not aware of unrecorded liabilities. The statute of limitations for our major tax jurisdictions generally remains open for examination for tax years 2020 to 2024.

We are under contract to purchase federal transferable tax credits that we expect to use to offset future federal income tax obligations totaling $222 million. The timing of such purchases is intended to approximate the timing of our expected federal income tax obligations.

9. Fair value disclosures

ASC 820, "Fair Value Measurements and Disclosures," provides a framework for measuring fair value in generally accepted accounting principles and establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy can be summarized as follows:

Level 1	Fair value determined based on quoted prices in active markets for identical assets or liabilities.
Level 2	Fair value determined using significant observable inputs, generally either quoted prices in active markets for similar assets or liabilities or quoted prices in markets that are not active.
Level 3	Fair value determined using significant unobservable inputs, such as pricing models, discounted cash flows, or similar techniques

Our assets and liabilities measured or disclosed at fair value are summarized below ($000's omitted):

Financial Instrument	Fair Value Hierarchy	Fair Value December 31, 2024	Fair Value December 31, 2023
Measured at fair value on a recurring basis:			
Residential mortgage loans available-for-sale	Level 2	$ 629,582	$ 516,064
IRLCs	Level 2	(13,494)	2,420
Forward contracts	Level 2	11,290	(25,994)
Whole loan commitments	Level 2	(30)	(23)
Measured at fair value on a non-recurring basis:			
House and land inventory	Level 3	$ 20,016	$ 12,906
Disclosed at fair value:			
Cash and equivalents (including restricted cash)	Level 1	$ 1,653,680	$ 1,849,177
Financial Services debt	Level 2	526,906	499,627
Senior notes payable	Level 2	1,665,504	2,009,221
Other notes payable	Level 2	35,766	70,966

Fair values for agency residential mortgage loans available-for-sale are determined based on quoted market prices for comparable instruments. Fair values for non-agency residential mortgage loans available-for-sale are determined based on purchase commitments from whole loan investors. Fair values for IRLCs, including the value of servicing rights, and forward contracts on mortgage-backed securities are valued based on market prices for similar instruments. See Note 1 for a more detailed discussion of these derivative instruments.

Certain assets are required to be recorded at fair value on a non-recurring basis when events and circumstances indicate that the carrying value may not be recoverable. The non-recurring fair values included in the above table represent only those assets whose carrying values were adjusted to fair value during the quarterly period ended as of the respective balance sheet dates. See Note 1 for a more detailed discussion of the valuation methods used for inventory.

The carrying amounts of cash and equivalents, Financial Services debt, Other notes payable and the Revolving Credit Facility approximate their fair values due to their short-term nature and floating interest rate terms. The fair values of the Senior notes payable are based on quoted market prices, when available. If quoted market prices are not available, fair values are based on quoted market prices of similar issues. The carrying value of the senior notes payable was $1.6 billion at December 31, 2024 and $1.9 billion at December 31, 2023.

10. Other assets and accrued and other liabilities

Other assets are presented below ($000's omitted):

	December 31,	
	2024	2023
Accounts and notes receivable:		
Insurance receivables (Note 11)	$ 6,613	$ 26,928
Other receivables	241,695	179,249
	248,308	206,177
Deposits and pre-acquisition costs (Note 1)	1,058,463	704,209
Prepaid expenses	283,815	245,035
Property and equipment, net (Note 1)	253,097	221,488
Right-of-use assets (Note 11)	93,895	77,400
Income taxes receivable	11,733	29,950
Other	52,680	61,408
	$ 2,001,991	$ 1,545,667

We record receivables from various parties in the normal course of business, including amounts due from insurance companies (Note 11) and municipalities. In certain instances, we may accept consideration for land sales or other transactions in the form of a note receivable.

Accrued and other liabilities are presented below ($000's omitted):

	December 31,	
	2024	2023
Self-insurance liabilities (Note 11)	$ 267,474	$ 563,103
Compensation-related liabilities	283,255	250,372
Land development and construction liabilities	158,957	144,121
Liabilities related to consolidated inventory not owned (Note 2)	102,865	120,522
Warranty liabilities (Note 11)	130,538	120,393
Lease liabilities (Note 11)	109,021	91,554
Income tax liabilities	76,002	62,400
Dividends payable (Note 6)	47,442	43,916
Accrued interest	29,095	36,433
Loan origination liabilities (Note 11)	5,379	10,493
Other *(a)*	202,138	202,383
	$ 1,412,166	$ 1,645,690

(a) *Other liabilities primarily include liabilities associated with property taxes, forward contracts on mortgage-backed securities, and other miscellaneous liabilities.*

11. Commitments and contingencies

Letters of credit and surety bonds

In the normal course of business, we post letters of credit and surety bonds pursuant to certain performance-related obligations, as security for certain land option agreements, and under various insurance programs. The majority of these letters of credit and surety bonds are in support of our land development and construction obligations to various municipalities, other government agencies, and utility companies related to the construction of roads, sewers, and other infrastructure. We had outstanding letters of credit and surety bonds totaling $321.1 million and $2.9 billion, respectively, at December 31, 2024, and $312.7 million and

$2.4 billion, respectively, at December 31, 2023. In the event any such letter of credit or surety bonds is drawn, we would be obligated to reimburse the issuer of the letter of credit or surety bond. We do not believe that a material amount, if any, of the letters of credit or surety bonds will be drawn. Our surety bonds generally do not have stated expiration dates; rather, we are released from the surety bonds as the underlying contractual performance is completed. Because significant construction and development work has been performed related to the applicable projects but has not yet received final acceptance by the respective counterparties, the aggregate amount of surety bonds outstanding is in excess of the projected cost of the remaining work to be performed.

Litigation and regulatory matters

We are involved in litigation and legal claims in the normal course of our business operations, including actions brought on behalf of various classes of claimants. We are also subject to a variety of local, state, and federal laws and regulations related to land development activities, house construction standards, sales practices, mortgage lending operations, employment practices, and protection of the environment. As a result, we are subject to periodic examination or inquiry by various governmental agencies that administer these laws and regulations.

We establish liabilities for legal claims and regulatory matters when such matters are both probable of occurring and any potential loss is reasonably estimable. We accrue for such matters based on the facts and circumstances specific to each matter and revise these estimates as the matters evolve. In such cases, there may exist an exposure to loss in excess of any amounts currently accrued. In view of the inherent difficulty of predicting the outcome of these legal and regulatory matters, we generally cannot predict the ultimate resolution of the pending matters, the related timing, or the eventual loss. While the outcome of such contingencies cannot be predicted with certainty, we do not believe that the resolution of such matters will have a material adverse impact on our results of operations, financial position, or cash flows. However, to the extent the liability arising from the ultimate resolution of any matter exceeds the estimates reflected in the recorded reserves relating to such matter, we could incur additional charges that could be significant.

Warranty liabilities

Factors that affect our warranty liabilities include the number of homes sold, historical and anticipated rates of warranty claims, and the projected cost of claims. We periodically assess the adequacy of the warranty liabilities for each geographic market in which we operate and adjust the amounts as necessary. Actual warranty costs in the future could differ from the current estimates. Changes in warranty liabilities were as follows ($000’s omitted):

	2024	2023	2022
Warranty liabilities, beginning of period	$ 120,393	$ 108,348	$ 107,117
Reserves provided	110,344	107,522	85,011
Payments	(106,661)	(99,613)	(90,508)
Other adjustments	6,462	4,136	6,728
Warranty liabilities, end of period	$ 130,538	$ 120,393	$ 108,348

Self-insured risks

We maintain, and require our subcontractors to maintain, general liability insurance coverage. We also maintain builders' risk, property, errors and omissions, workers compensation, and other business insurance coverages. These insurance policies protect us against a portion of the risk of loss from potential claims. However, we retain a significant portion of the overall risk for such claims either through our own self-insured per occurrence and aggregate retentions, deductibles, policies issued by our captive insurance subsidiaries, and any potential claims in excess of available insurance policy limits.
Our general liability insurance includes coverage for certain construction defects. While construction defect claims may relate to a variety of issues, the majority of our claims relate to alleged problems with siding, windows, roofing, and foundations. The availability of general liability insurance for the homebuilding industry and its subcontractors has become increasingly limited, and the insurance policies available require companies to retain significant per occurrence and aggregate retention levels. In certain instances, we may offer our subcontractors the opportunity to purchase general liability insurance through one of our captive insurance subsidiaries or participate in a project-specific insurance program. Policies issued by our captive insurance subsidiaries represent self-insurance of these risks by us, limited by reinsurance policies that we purchase. General liability

coverage for the homebuilding industry is complex, and our coverage varies from policy year to policy year. Our insurance coverage requires a per occurrence retention as well as an overall aggregate amount. Amounts paid to resolve insured claims apply to our per occurrence and aggregate retention obligations. Any amounts incurred in excess of the occurrence or aggregate retention levels are covered by insurance up to the purchased coverage levels. Our insurance policies, including the captive insurance subsidiaries' reinsurance policies, are maintained with highly-rated carriers for whom we believe counterparty default risk is not significant.

At any point in time, we are managing numerous individual claims related to general liability, property, errors and omission, workers compensation, and other business insurance coverages. We reserve for costs associated with these claims (including expected claims management expenses) on an undiscounted basis at the time revenue is recognized for each home closing and evaluate the recorded liabilities based on actuarial analyses of our historical claims. The actuarial analyses calculate estimates of the ultimate net cost of all unpaid losses, including estimates for incurred but not reported losses ("IBNR"). IBNR represents losses related to claims incurred but not yet reported plus development on reported claims.

Our recorded reserves for all such claims totaled $267.5 million and $563.1 million at December 31, 2024 and 2023, respectively, the vast majority of which relate to general liability claims. The recorded reserves include loss estimates related to both (i) existing claims and related claim expenses and (ii) IBNR and related claim expenses. Liabilities related to IBNR and related claim expenses represented approximately 68% and 77% of the total general liability reserves at December 31, 2024 and 2023, respectively. The actuarial analyses that determine the IBNR portion of reserves consider a variety of factors, including the frequency and severity of losses, which are based on our historical claims experience supplemented by industry data. The actuarial analyses of the reserves also consider historical third party recovery rates and claims management expenses.

Volatility in both national and local housing market conditions may affect the frequency and cost of construction defect claims. Additionally, IBNR estimates comprise the substantial majority of our liability and are subject to a high degree of uncertainty due to a variety of factors, including changes in claims reporting and resolution patterns, third party recoveries, insurance industry practices, the regulatory environment, and legal precedent. State regulations vary, but construction defect claims are typically reported and resolved over an extended time period often exceeding ten years. Changes in the frequency and timing of reported claims and estimates of specific claim values can impact the underlying inputs and trends utilized in the actuarial analyses, which could have a material impact on the recorded reserves. Because of the inherent uncertainty in estimating future losses and the timing of such losses related to these claims, actual costs could differ significantly from estimated costs.

Adjustments to reserves are recorded in the period in which the change in estimate occurs. During 2024, 2023, and 2022, we reduced reserves, primarily general liability reserves, by $333.9 million, $130.8 million, and $65.0 million, respectively, as a result of changes in estimates resulting from actual claim experience observed being less than anticipated in previous actuarial projections. The changes in actuarial estimates were driven by changes in actual claims experience that, in turn, impacted actuarial estimates for potential future claims. These changes in actuarial estimates did not involve any significant changes in actuarial methodology but did impact the development of estimates for future periods, which resulted in adjustments to the IBNR portion of our recorded liabilities. There were no material adjustments to individual claims. Rather, the adjustments reflect an overall lower level of claims and related losses in recent years as compared with our previous experience. We attribute the favorable experience in more recent years to a variety of factors, including improved construction techniques, rising home values, and increased participation from our subcontractors in resolving claims. The cumulative effect of these factors, as evidenced by the favorable claims experience for an extended period, resulted in our actuarial estimates placing less weight on older, higher cost policy years and relatively more weight on our more recent, lower cost policy years, which is the primary driver of the change in actuarial estimate in 2024.

Costs associated with our insurance programs are classified within selling, general, and administrative expenses. Changes in these liabilities were as follows ($000's omitted):

	2024	2023	2022
Balance, beginning of period	$ 563,103	$ 635,857	$ 627,067
Reserves provided	83,340	92,399	111,067
Adjustments to previously recorded reserves	(333,853)	(130,841)	(64,965)
Payments, net *(a)*	(45,116)	(34,312)	(37,312)
Balance, end of period	$ 267,474	$ 563,103	$ 635,857

(a) Includes net changes in amounts expected to be recovered from our insurance carriers, which are recorded in other assets (see below).

Estimates of anticipated recoveries of our costs under various insurance policies or from subcontractors or other third parties are recorded when recovery is considered probable. Recoveries relate to costs incurred or to be incurred to perform corrective repairs, settle claims, and other costs related to both known and anticipated future construction defect claims that we believe to be insured related to previously closed homes. Given the complexity inherent with resolving construction defect claims in the homebuilding industry, there generally exists a significant lag between our payment of claims and our recoveries from applicable insurance carriers or third parties.

Leases

We lease certain office space and equipment for use in our operations. We recognize lease expense for these leases on a straight-line basis over the lease term and combine lease and non-lease components for all leases. Right-of-use ("ROU") assets and lease liabilities are recorded on the balance sheet for all leases with an expected term of at least one year. Some leases include one or more options to renew. The exercise of lease renewal options is generally at our discretion. The depreciable lives of ROU assets and leasehold improvements are limited to the expected lease term. Certain of our lease agreements include rental payments based on a pro-rata share of the lessor's operating costs, which are variable in nature. Our lease agreements do not contain any residual value guarantees or material restrictive covenants.

ROU assets are classified within other assets on the balance sheet, while lease liabilities are classified within accrued and other liabilities. Leases with an initial term of 12 months or less are not recorded on the balance sheet. ROU assets and lease liabilities were $93.9 million and $109.0 million, respectively, at December 31, 2024, and $77.4 million and $91.6 million, respectively, at December 31, 2023. We recorded an additional $37.2 million and $20.6 million of lease liabilities under operating leases during 2024 and 2023, respectively. Payments on lease liabilities during 2024, 2023, and 2022 totaled $23.1 million, $23.4 million, and $21.9 million respectively.

Lease expense includes costs for leases with terms in excess of one year as well as short-term leases with terms of less than one year. Our total lease expense was $66.2 million, $56.4 million, and $54.8 million during 2024, 2023, and 2022, respectively. Our total lease expense in 2024, 2023, and 2022 is inclusive of variable lease costs of $12.9 million, $11.8 million, and $9.9 million respectively, and short-term lease costs of $24.1 million, $17.3 million, and $21.2 million, respectively. Sublease income was de minimis. The future minimum lease payments required under our leases as of December 31, 2024 were as follows ($000's omitted):

Years Ending December 31,	
2025	$ 26,156
2026	23,654
2027	19,090
2028	16,279
2029	13,808
Thereafter	23,579
Total lease payments *(a)*	122,566
Less: Interest *(b)*	(13,545)
Present value of lease liabilities *(c)*	$ 109,021

(a) Lease payments include options to extend lease terms that are reasonably certain of being exercised and exclude $25.1 million of legally binding minimum lease payments for leases signed but not yet commenced at December 31, 2024.
(b) Our leases do not provide a readily determinable implicit rate. Therefore, we must estimate our discount rate for such leases to determine the present value of lease payments at the lease commencement date.
(c) The weighted average remaining lease term and weighted average discount rate used in calculating our lease liabilities were 5.5 years and 4.3%, respectively, at December 31, 2024.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of PulteGroup, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of PulteGroup, Inc. (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 6, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosures to which it relates.

	Self-insured Risks
Description of the Matter	The Company’s reserves for self-insured risks totaled $267.5 million at December 31, 2024, of which the majority relates to incurred but not reported (IBNR) losses associated with exposures to construction defects on previously closed homes. As discussed in Notes 1 and 11 of the consolidated financial statements, the Company reserves for costs associated with construction defect claims (including IBNR losses and expected claims management expense) based on actuarial analyses of the Company’s historical claims activity. The actuarial analyses that determine the IBNR reserves consider a variety of factors, which principally include the frequency and severity of losses. Auditing the Company’s IBNR reserve for construction defects is complex due to the significant measurement uncertainty associated with the estimate, the use of various actuarial methods, and management’s application of significant judgment. In addition, the reserve estimate is sensitive to significant assumptions, including the frequency and severity assumptions used in the computation of the IBNR reserve.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company’s controls that address the risks of material misstatement relating to the measurement and valuation of the IBNR reserve. For example, we tested controls over management’s review of the significant actuarial assumptions and the data inputs used by management when estimating IBNR losses. To test the IBNR reserve associated with construction defects exposures, our audit procedures included, among others, testing the completeness and accuracy of the underlying claims data used in the actuarial analyses. Furthermore, we involved our actuarial specialists to assist in our assessment of the methodologies used by management to estimate the IBNR reserve. We compared the Company's self-insurance reserve (inclusive of the IBNR estimate) to a range developed by our actuarial specialists based on independently selected assumptions.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 1973.

Atlanta, Georgia
February 6, 2025

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

This Item is not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Management, including our President and Chief Executive Officer and Executive Vice President and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2024. Based upon, and as of the date of that evaluation, our President and Chief Executive Officer and Executive Vice President and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of December 31, 2024.

Internal Control Over Financial Reporting

(a) Management's Annual Report on Internal Control Over Financial Reporting

Management is responsible for the preparation and fair presentation of the consolidated financial statements included in this annual report. The consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles and reflect management's judgments and estimates concerning events and transactions that are accounted for or disclosed.

Management is also responsible for establishing and maintaining effective internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Management recognizes that there are inherent limitations in the effectiveness of any internal control and effective internal control over financial reporting can provide only reasonable assurance with respect to financial statement preparation. Additionally, because of changes in conditions, the effectiveness of internal control over financial reporting may vary over time.

In order to ensure that the Company's internal control over financial reporting is effective, management regularly assesses such controls and did so most recently for its financial reporting as of December 31, 2024. Management's assessment was based on criteria for effective internal control over financial reporting described in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework). Based on this assessment, management asserts that the Company has maintained effective internal control over financial reporting as of December 31, 2024.

Ernst & Young LLP, the independent registered public accounting firm that audited the Company's consolidated financial statements included in this Annual Report on Form 10-K, has issued its report on the effectiveness of the Company's internal control over financial reporting as of December 31, 2024.

(b) Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of PulteGroup, Inc.

Opinion on Internal Control over Financial Reporting

We have audited PulteGroup, Inc.'s internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, PulteGroup, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and our report dated February 6, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Atlanta, Georgia
February 6, 2025

(c) Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting during the quarter ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Due to the limited NOLs and other tax attributes remaining that would be affected by an “ownership change” under Section 382 of the Internal Revenue Code, the Board of Directors, at a meeting held on February 5, 2025, determined not to approve an amendment to extend the term of the Rights Plan beyond its expiration date of June 1, 2025 and determined to consider, at a future meeting of the Board of Directors, amendments to the provisions of the Company’s by-laws that prohibit certain transfers of our securities.

During the fourth quarter of 2024, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

This Item is not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this Item with respect to our executive officers is set forth in Part I, Item 1 of this Annual Report on Form 10-K. Information required by this Item with respect to members of our Board of Directors and with respect to our Audit Committee will be contained in the Proxy Statement for the 2025 Annual Meeting of Shareholders (“2025 Proxy Statement”), which will be filed no later than 120 days after December 31, 2024, under the captions “Proposal 1: Election of Directors” and “Committees of the Board of Directors - Audit Committee” and in the chart disclosing Audit Committee membership and is incorporated herein by this reference. Information required by this Item with respect to our code of ethics will be contained in the 2025 Proxy Statement under the caption “Corporate Governance - Governance Guidelines; Code of Ethical Business Conduct; Code of Ethics; Prohibition on Hedging” and is incorporated herein by this reference.

Our code of ethics for our principal executive officer, principal financial officer, principal accounting officer and persons performing similar functions, our code of ethical business conduct, our corporate governance guidelines, and the charters of the Audit, Compensation and Management Development, Nominating and Governance, and Finance and Investment committees of our Board of Directors are also posted on our website and are available in print, free of charge, upon request.

The Company has adopted an insider trading policy governing the purchase and sale and other disposition of Company securities by our directors, officers and employees, and by the Company itself. The Company believes this policy is reasonably designed to promote compliance with insider trading laws, rules and regulations, and NYSE listing standards. A copy of the PulteGroup, Inc. Insider Trading and Confidentiality Policy is filed as Exhibit 19 to this Annual Report on Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

Information required by this Item will be contained in the 2025 Proxy Statement under the captions "Compensation Discussion and Analysis", "Compensation and Management Development Committee Report", "2024 Executive Compensation" and "2024 Director Compensation" and is incorporated herein by this reference, provided that the Compensation and Management Development Committee Report shall not be deemed to be “filed” with this Annual Report on Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this Item will be contained in the 2025 Proxy Statement under the captions “Beneficial Security Ownership” and “Equity Compensation Plan Information” and is incorporated herein by this reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Information required by this Item will be contained in the 2025 Proxy Statement under the captions “Certain Relationships and Related Transactions” and “Board of Directors Information” and is incorporated herein by this reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by this Item will be contained in the 2025 Proxy Statement under the captions “Audit and Non-Audit Fees” and “Audit Committee Preapproval Policies” and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this Annual Report on Form 10-K:

(1) Financial Statements

(2) Financial Statement Schedules

All schedules are omitted because the required information is not present, is not present in amounts sufficient to require submission of the schedule, or because the required information is included in the financial statements or notes thereto.

(3) Exhibits

The following exhibits are filed with this Annual Report on Form 10-K or are incorporated herein by reference:

Exhibit Number and Description

(3)	(a)	Restated Articles of Incorporation, of PulteGroup, Inc. (Incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed with the SEC on August 18, 2009)
	(b)	Certificate of Amendment to the Articles of Incorporation, dated March 18, 2010 (Incorporated by reference to Exhibit 3(b) of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010)
	(c)	Certificate of Amendment to the Articles of Incorporation, dated May 21, 2010 (Incorporated by reference to Exhibit 3(c) of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2010)
	(d)	Certificate of Amendment to the Articles of Incorporation, dated May 6, 2024 (Incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed with the SEC on May 8, 2024)
	(e)	Amended and Restated By-laws of PulteGroup, Inc. (Incorporated by reference to Exhibit 3.2 of our Current Report on Form 8-K, filed with the SEC on May 5, 2023)
	(f)	Certificate of Designation of Series A Junior Participating Preferred Shares, dated August 6, 2009 (Incorporated by reference to Exhibit 3(b) of our Registration Statement on Form 8-A, filed with the SEC on August 18, 2009)
(4)	(a)	Any instrument with respect to long-term debt, where the securities authorized thereunder do not exceed 10% of the total assets of PulteGroup, Inc. and its subsidiaries, has not been filed. The Company agrees to furnish a copy of such instruments to the SEC upon request.
	(b)	Amended and Restated Section 382 Rights Agreement, dated as of March 18, 2010, between PulteGroup, Inc. and Computershare Trust Company, N.A., as rights agent, which includes the Form of Rights Certificate as Exhibit B thereto (Incorporated by reference to Exhibit 4 of PulteGroup, Inc.'s Registration Statement on Form 8-A/A, filed with the SEC on March 23, 2010)
	(c)	First Amendment to Amended and Restated Section 382 Rights Agreement, dated as of March 14, 2013, between PulteGroup, Inc. and Computershare Trust Company, N.A., as rights agent (Incorporated by reference to Exhibit 4.1 of PulteGroup, Inc.'s Current Report on Form 8-K, filed with the SEC on March 15, 2013)

	(d)	Second Amendment to Amended and Restated Section 382 Rights Agreement, dated as of March 10, 2016, between PulteGroup, Inc. and Computershare Trust Company, N.A., as rights agent (Incorporated by reference to Exhibit 4.1 of PulteGroup, Inc.'s Current Report on Form 8-K, filed with the SEC on March 10, 2016)
	(e)	Third Amendment to Amended and Restated Section 382 Rights Agreement, dated as of March 7, 2019, between PulteGroup, Inc. and Computershare Trust Company, N.A., as rights agent (Incorporated by reference to Exhibit 4.1 of PulteGroup, Inc.'s Current Report on Form 8-K, filed with the SEC on March 7, 2019)
	(f)	Fourth Amendment to Amended and Restated Section 382 Rights Agreement, dated as of May 8, 2020, between PulteGroup, Inc. and Computershare Trust Company, N.A., as rights agent (Incorporated by reference to Exhibit 4.1 of PulteGroup, Inc.'s Current Report on Form 8-K, filed with the SEC on May 11, 2020)
	(g)	Fifth Amendment to Amended and Restated Section 382 Rights Agreement, dated as of March 10, 2022, between PulteGroup, Inc. and Computershare Trust Company, N.A., as rights agent (Incorporated by reference to Exhibit 4.1 of PulteGroup, Inc.'s Current Report on Form 8-K, filed with the SEC on March 11, 2022)
	(h)	Description of the Registrant's Securities (Filed herewith)
(10)	(a)	PulteGroup, Inc. 2019 Senior Management Incentive Plan (Incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K, filed with the SEC on February 8, 2019)*
	(b)	PulteGroup, Inc. 2013 Stock Incentive Plan (Incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K, filed with the SEC on May 13, 2013)*
	(c)	PulteGroup, Inc. 2022 Stock Incentive Plan (Incorporated by reference to Appendix III to the Registrant's Definitive Proxy Statement on Schedule 14A, filed with the Commission on March 22, 2022)*
	(d)	Amendment Number One to the PulteGroup, Inc. 2013 Stock Incentive Plan dated February 10, 2017 (Incorporated by reference to Exhibit 10 of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2017)*
	(e)	Amendment Number Two to the PulteGroup, Inc. 2013 Stock Incentive Plan dated December 3, 2020 (Incorporated by reference to Exhibit 10(k) of our Annual Report on Form 10-K for the year ended December 31, 2020)*
	(f)	Form of 2022 Restricted Stock Unit Award Agreement (as Amended) under PulteGroup, Inc. 2022 Stock Incentive Plan (Incorporated by reference to Exhibit 10(g) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(g)	Form of 2023 Restricted Stock Unit Award Agreement (as Amended) under PulteGroup, Inc. 2022 Stock Incentive Plan (Incorporated by reference to Exhibit 10(h) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(h)	Form of 2024 Restricted Stock Unit Award Agreement (as Amended) under PulteGroup, Inc. 2022 Stock Incentive Plan (Incorporated by reference to Exhibit 10(i) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(i)	Form of 2025 Restricted Stock Unit Award Agreement (as Amended) under PulteGroup, Inc. 2022 Stock Incentive Plan (Filed herewith)*
	(j)	Form of 2022 Long-term Incentive Program Award Agreement (as Amended) under PulteGroup, Inc. 2013 Stock Incentive Plan (Incorporated by reference to Exhibit 10(j) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(k)	Form of 2023 Long-term Incentive Program Award Agreement (as Amended) under PulteGroup, Inc. 2022 Stock Incentive Plan (Incorporated by reference to Exhibit 10(k) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(l)	Form of 2024 Long-term Incentive Program Award Agreement (as Amended) under PulteGroup, Inc. 2022 Stock Incentive Plan (Incorporated by reference to Exhibit 10(l) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(m)	Form of 2025 Long-term Incentive Program Award Agreement (as Amended) under PulteGroup, Inc. 2022 Stock Incentive Plan (Filed herewith)*

	(n)	PulteGroup, Inc. Long Term Compensation Deferral Plan (As Amended and Restated Effective January 1, 2004) (Incorporated by reference to Exhibit 10(a) of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2006)*
	(o)	PulteGroup, Inc. Deferred Compensation Plan For Non-Employee Directors, as amended and restated effective as of December 31, 2021 (Incorporated by reference to Exhibit 10(i) of our Annual Report on Form 10-K for the year ended December 31, 2021)*
	(p)	PulteGroup, Inc. Executive Severance Policy (Effective February 6, 2023) (Incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K, filed with the SEC on February 12, 2013)*
	(q)	PulteGroup, Inc. Amended Executive Severance Policy (Effective January 31, 2024) (Incorporated by reference to Exhibit 10(p) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(r)	PulteGroup, Inc. Amended Retirement Policy (Effective May 12, 2021) (Incorporated by reference to Exhibit 10(q) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(s)	PulteGroup, Inc. Amended Retirement Policy (Effective January 31, 2024) (Incorporated by reference to Exhibit 10(r) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(t)	Form of Director and Officer Indemnification Agreement (Effective January 31, 2024) (Incorporated by reference to Exhibit 10(s) of our Annual Report on Form 10-K for the year ended December 31, 2023)*
	(u)	Third Amended and Restated Credit Agreement dated as of June 14, 2022 among PulteGroup, Inc., as Borrower, Bank of America, N.A., as Administrative Agent, and the other Lenders party thereto (Incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K, filed with the SEC on June 16, 2022)
	(v)	Fourth Amended and Restated Master Repurchase Agreement, dated as of July 28, 2022, among Comerica Bank, as Agent, Lead Arranger and a Buyer, the other Buyers party thereto and Pulte Mortgage LLC, as Seller (incorporated by reference to Exhibit 10.1 of PulteGroup, Inc's Current Report on Form 8-K, filed with the SEC on July 29, 2022)
	(w)	Master Repurchase Agreement dated as of August 16, 2023, among JPMorgan Chase, as Agent, Lead Arranger and a Buyer, the other Buyers party thereto and Pulte Mortgage LLC, as Seller (Incorporated by reference to Exhibit 10.1 of PulteGroup, Inc.'s Current Report on Form 8-K, filed with the SEC on August 17, 2023)
	(x)	Second Omnibus Amendment and Joinder to Transaction Documents to Master Repurchase Agreement dated as of August 14, 2024, among JPMorgan Chase, as Agent, Lead Arranger and a Buyer, the other Buyers party thereto and Pulte Mortgage LLC, as Seller (Incorporated by reference to Exhibit 10.1 of PulteGroup, Inc.'s Current Report on Form 8-K, filed with the SEC on August 15, 2024)
(19)		PulteGroup, Inc. Insider Trading and Confidentiality Policy (Filed herewith)
(21)		Subsidiaries of the Registrant (Filed herewith)
(22)		List of Guarantor Subsidiaries (Filed herewith)
(23)		Consent of Independent Registered Public Accounting Firm (Filed herewith)
(24)		Power of Attorney (Filed herewith)
(31)	(a)	Rule 13a-14(a) Certification by Ryan R. Marshall, President and Chief Executive Officer (Filed herewith)
	(b)	Rule 13a-14(a) Certification by Robert T. O'Shaughnessy, Executive Vice President and Chief Financial Officer (Filed herewith)
(32)		Certification Pursuant to 18 United States Code § 1350 and Rule 13a-14(b) of the Securities Exchange Act of 1934 (Furnished herewith)
(97)		PulteGroup, Inc. Executive Compensation Recovery (Clawback) Policy (Incorporated by reference to Exhibit 97 of our Annual Report on Form 10-K for the year ended December 31, 2023)*
101.INS		Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document.
101.SCH		Inline XBRL Taxonomy Extension Schema Document
101.CAL		Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF		Inline XBRL Taxonomy Extension Definition Linkbase Document

101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Indicates a management contract or compensatory plan or arrangement

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

PULTEGROUP, INC.
(Registrant)

February 6, 2025

By: /s/ Robert T. O'Shaughnessy
Robert T. O'Shaughnessy
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated:

February 6, 2025

/s/ Ryan R. Marshall	/s/ Robert T. O'Shaughnessy	/s/ Brien P. O'Meara
Ryan R. Marshall	Robert T. O'Shaughnessy	Brien P. O'Meara
President and Chief Executive Officer (Principal Executive Officer) and Member of Board of Directors	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	Vice President and Controller (Principal Accounting Officer)

Kristen Actis-Grande	Member of Board of Directors	}
Brian P. Anderson	Member of Board of Directors	}
Bryce Blair	Member of Board of Directors	}
Thomas J. Folliard	Non-Executive Chairman of Board of Directors	}
Cheryl W. Grisé	Member of Board of Directors	}
André J. Hawaux	Member of Board of Directors	}
J. Phillip Holloman	Member of Board of Directors	}
John R. Peshkin	Member of Board of Directors	}
Scott F. Powers	Member of Board of Directors	}
Lila Snyder	Member of Board of Directors	}

/s/ Robert T. O'Shaughnessy
Robert T. O'Shaughnessy
Executive Vice President and Chief Financial Officer

Exhibit 4(h)

**DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934**

PulteGroup, Inc., a Michigan corporation (the "Company"), has two classes of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): Common Shares, $0.01 par value per share ("Common Shares") and Series A Junior Participating Preferred Share Purchase Rights (the "Preferred Rights"). The Common Shares are listed on The New York Stock Exchange under the ticker symbol "PHM". Computershare Trust Company, N.A. is the transfer agent and registrar for the Common Shares. Prior to the distribution date (as such term is defined below), the Preferred Rights are associated with the Common Shares, are evidenced by Common Share certificates and are transferable with and only with the underlying Common Shares.

The following is a description of the rights of our Common Shares and Preferred Rights and related provisions of the Company's Restated Articles of Incorporation, as amended (the "Articles"), Amended and Restated By-laws (the "By-laws"), applicable Michigan law, Certificate of Designation of Series A Junior Participating Preferred Shares ("Certificate of Designation") and that certain Amended and Restated Section 382 Rights Agreement (as amended as of March 14, 2013, March 10, 2016, March 7, 2019, May 8, 2020, and March 10, 2022, the "Rights Plan") by and between the Company and Computershare Trust Company, N.A., as rights agent. This description is qualified in its entirety by, and should be read in conjunction with, the Articles, the By-laws, applicable Michigan law, the Certificate of Designation and the Rights Plan.

DESCRIPTION OF COMMON SHARES

Authorized Capital Stock

The Company's authorized capital stock consists of 500,000,000 Common Shares and 25,000,000 Preferred Shares, $0.01 par value (the "Preferred Shares"). As of December 31, 2024, 202,912,881 Common Shares were issued and outstanding and no Preferred Shares were issued or outstanding.

Fully Paid and Nonassessable

All of the outstanding Common Shares are fully paid and nonassessable and are not subject to further calls or assessments by us.

Voting Rights

The holders of Common Shares are entitled to one vote per share on all matters to be voted on by such holders. Holders of Common Shares are not entitled to cumulative voting rights. Other than as provided in the Articles or pursuant to applicable law and subject to the voting rights of any holders of Preferred Shares, if an action is to be taken by vote of the shareholders, it shall be authorized by a majority of the votes cast by the holders of Common Shares entitled to vote on the action in all matters other than the election of directors for which the number of nominees exceeds the number of directors to be elected.

Dividends

The holders of Common Shares are entitled to receive such dividends, if any, as may be declared from time to time by the Company's board of directors (the "Board") in its discretion from funds legally available therefor, subject to the rights of any holders of our Preferred Shares to receive such dividends.

Right to Receive Liquidation Distributions

Upon liquidation, dissolution or winding-up, the holders of Common Shares are entitled to share ratably in any assets remaining available for distribution after the satisfaction in full of the prior rights of creditors, including holders of our indebtedness, and the aggregate liquidation preference of any Preferred Shares then outstanding.

No Preemptive or Similar Rights

Our Common Shares have no preemptive or other subscription rights, and there are no conversion rights or redemption or sinking fund provisions with respect to such Common Shares.

Preferred Shares

Our Board has authority to divide the 25,000,000 authorized Preferred Shares into series and to fix the rights and preferences of any series so established. Variations between different series may be created by the Board with respect to such matters as voting rights, rate of dividend, priority of payment, rights of accumulation, redemption or sinking fund terms, preferences upon liquidation or dissolution, conversion rights and any other preferences or rights.

If we offer Preferred Shares in the future, the Board will determine the terms of such shares, including the following, where applicable:

- the designation of the shares and the number of shares that constitute the series;
- the dividend rate (or the method of calculating dividends), if any, on the shares of the series and the priority as to payment of dividends with respect to other classes or series of our shares of capital stock;
- whether dividends will be cumulative or non-cumulative and, if cumulative, the date from which dividends on the Preferred Shares will accumulate;
- the dividend periods (or the method of calculating the dividend periods);
- whether and the extent to which such Preferred Shares shall be entitled to participate in dividends with shares of any other series or class of stock;
- the voting rights of the Preferred Shares, if any;
- the liquidation preference and the priority as to payment of the liquidation preference with respect to other classes or series of our capital stock and any other rights of the shares of the class or series upon our liquidation, dissolution or winding-up;
- whether or not the shares of the series will be convertible into or exchangeable for securities and, if so, the security into which they are convertible or exchangeable and the terms and conditions of conversion or exchange, including the conversion or exchange price or the manner of determining it;
- whether or not and on what terms the shares of the series will be subject to redemption or repurchase at our option;
- whether the Preferred Shares of the series will be listed on a national securities exchange or quoted on an automated quotation system;
- federal income tax considerations; and

- the other material terms, rights and privileges and any qualifications, limitations or restrictions of the rights or privileges of the series.

DESCRIPTION OF PREFERRED RIGHTS

Each Preferred Right entitles its holder, under the circumstances described below, to purchase from us one one-thousandth of a Series A Preferred Share (as defined below) at a purchase price of $50 per right, subject to adjustment.

Series A Preferred Shares

Of our 25,000,000 authorized Preferred Shares, our Board has designated 500,000 shares as "Series A Junior Participating Preferred Shares" (the "Series A Preferred Shares").

Ranking

The Series A Preferred Shares will rank junior to all other series of our Preferred Shares as to payment of dividends and the distribution of assets, whether or not upon our dissolution, liquidation or winding up, unless the terms of any such series provides otherwise.

Dividends

Subject to the rights of any senior-ranking shares, commencing upon the first quarterly dividend payment date after the first issuance of shares of Series A Preferred Shares, holders of our Series A Preferred Shares are entitled to receive quarterly dividends in an amount per share equal to the greater of (i) $1.00 per share or (ii) subject to certain adjustment provisions, 1000 times the aggregate per share amount of all cash dividends plus 1,000 times the aggregate per share amount of all non-cash dividends or other distributions (other than a dividend payable in Common Shares or a subdivision of outstanding Common Shares (by reclassification or otherwise) (collectively, "common share adjustments")) declared on Common Shares since the immediately preceding quarterly dividend payment date or, with respect to the first quarterly dividend payment date, since the first issuance of any Series A Preferred Shares, all subject to adjustment in the event of a declaration of a common-share-dividend on our Common Shares or a subdivision or combination of our outstanding shares.

Dividends shall begin to accrue and be cumulative on outstanding Series A Preferred Shares from the quarterly dividend payment date immediately following the date of issue of such Series A Preferred Shares, unless such shares are issued prior to the record date for the first quarterly dividend payment date, in which case dividends on such shares shall begin to accrue from the date such shares are issued, or unless such shares are issued on a quarterly dividend payment date or a date after the record date for a quarterly dividend and before such quarterly dividend payment date, in either of which events such dividends will begin to accrue and be cumulative from such quarterly dividend payment date. Accrued but unpaid dividends on the Series A Preferred Shares will not bear interest.

Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Shares are in arrears, until all such arrears, whether or not declared, have been paid in full, we may not:

- declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire any Common Shares or other shares ranking junior to the Series A Preferred Shares;

- declare or pay dividends on or make any other distributions on any shares ranking equally with the Series A Preferred Shares, except dividends paid ratably on the Series A Preferred Shares and all such equal-ranking shares on which dividends are payable or in arrears;

- redeem or purchase or otherwise acquire any shares ranking equally with the Series A Preferred Shares, except such redemption, purchase or acquisition is done in exchange for shares of our capital stock ranking junior to the Series A Preferred Shares; or

- purchase or otherwise acquire any Series A Preferred Shares or any shares ranking equally with the Series A Preferred Shares, except in accordance with a purchase offer made to all holders of such shares upon such terms as our Board determines in good faith will result in fair and equitable treatment among such shares.

Voting

Holders of Series A Preferred Shares are entitled to 1,000 votes per share held (subject to adjustment for common share adjustments). Except as otherwise provided by law or the Certificate of Designation, holders of Series A Preferred Shares will be entitled to vote collectively as a single class with holders of Common Shares on all matters submitted to a vote of our shareholders. In addition, at any time dividends on any Series A Preferred Shares are in arrears in an amount equal to six quarterly dividends, holders of Series A Preferred Shares and holders of our other outstanding Preferred Shares, if any, with dividends in arrears in an amount equal to six quarterly dividends, voting as a class, irrespective of series, will have the right to elect two directors to our Board. Holders of Series A Preferred Shares will cease to be entitled to participate in such election when all accrued and unpaid dividends on all outstanding Series A Preferred Shares for all previous quarterly dividend periods and for the current quarterly dividend period have been declared and paid or set apart for payment.

Liquidation

In the event of our liquidation, dissolution or winding up, the holders of Series A Preferred Shares shall be entitled to receive a liquidation payment in an amount per Series A Preferred Share equal to $1,000, plus all accrued and unpaid dividends and distributions on such share, whether or not declared, to the date of such payment (the “Series A Liquidation Preference”). After payment of the full amount of the Series A Liquidation Preference to which they

are entitled, holders of Series A Preferred Shares shall not receive any additional distributions unless holders of our Common Shares have received an amount per share (the “Common Adjustment”) equal to the quotient obtained by dividing (i) the Series A Liquidation Preference by (ii) 1,000 (as adjusted for common share adjustments). After we have paid the full amount of the Series A Liquidation Preference and the Common Adjustment to all entitled holders, holders of Series A Preferred Shares and holders of Common Shares shall share ratably in our remaining assets. If our available assets are insufficient to pay the Series A Liquidation Preference and the liquidation preference of all other series of our Preferred Shares, if any, ranking equally with the Series A Preferred Shares, then we shall distribute our remaining assets ratably to the holders of Series A Preferred Shares and such other preferred shares in proportion to their respective liquidation preferences.

Redemption

The Series A Preferred Shares are not redeemable.

Protection Against Adverse Amendments

Our Articles of Incorporation may not be amended in any manner that would materially alter or change the powers, preferences or special rights of the Series A Preferred Shares without the affirmative vote of the holders of a majority of the outstanding Series A Preferred Shares, voting separately as a class.

Rights Plan

On March 18, 2010, we entered into the Rights Plan with Computershare Trust Company, N.A., as rights agent, which amended and restated that certain Section 382 Rights Agreement, dated as of March 5, 2009, as amended as of April 7, 2009 and as of September 24, 2009 (collectively, the “Original Rights Agreement”), between the Company and Computershare Trust Company, N.A., as rights agent. Our Board had previously declared a dividend distribution of one Preferred Right for each outstanding Common Share to shareholders of record at the close of business on March 16, 2009, pursuant to the Original Rights Agreement.

Our Board adopted the Rights Plan in an effort to protect shareholder value by attempting to protect against a possible limitation on our ability to use our net operating loss carryforwards (the "NOLs") and certain other tax benefits to reduce potential future income tax obligations. If we experience an "ownership change," as defined in Section 382 of the Code and the regulations thereunder, our ability to fully utilize the NOLs and certain other tax benefits on an annual basis will be substantially limited, and the timing of the usage of the NOLs and such other benefits could be substantially delayed, which could therefore significantly impair the value of those assets.

The Rights Plan is intended to act as a deterrent to any person or group, together with its affiliates and associates, being or becoming the beneficial owner of 4.9% or more of our (i) Common Shares, (ii) Preferred Shares (other than Preferred Shares described in Section 1504(a)(4) of the Code), and (iii) any other interest in us that would be treated as "stock" pursuant to Treasury Regulation § 1.382-2T(f)(18) (collectively, "covered securities").

The following general summary of the Rights Plan is qualified in its entirety by reference to the Rights Plan, which is filed with the Securities and Exchange Commission.

The Rights. Each Preferred Right entitles its holder, under the circumstances described below, to purchase from us one one-thousandth of a Series A Preferred Share at a purchase price of $50 per Preferred Right, subject to adjustment. Our Common Shares issued while the Rights Plan is in effect will be issued with Preferred Rights attached.

Acquiring Person. Under the Rights Plan, an "acquiring person" is any person or group, who or which, together with its affiliates and associates, becomes a beneficial owner of 4.9% or more of our covered securities, other than solely as a result of (a) a reduction in the amount of our covered securities outstanding; (b) the exercise of any options, warrants, rights or similar interests (including restricted shares) granted by us to our directors, officers and employees; (c) any unilateral grant of any of our covered securities by us; or (d) any issuance of our covered securities by us or any share dividend, share split or similar transaction effected by us in which all holders of our covered securities are treated equally.

A person shall be deemed to be a "beneficial owner" of, shall be deemed to have "beneficial ownership" and shall be deemed to "beneficially own" any securities which such person directly owns, or would be deemed to constructively own, pursuant to Section 382 of the Code and the regulations promulgated thereunder.

The term "acquiring person," however, does not include:

- us, any of our subsidiaries, any employee benefit plan or other compensation arrangement of ours or of any of our subsidiaries, or any entity organized, appointed or established by us or any of our subsidiaries for or pursuant to the terms of any such plan or compensation arrangement;
- any exempted person (as defined below);
- any person or group who becomes the beneficial owner of 4.9% or more of our covered securities as a result of an exempted transaction (as defined below);
- any person whom or which our Board in good faith determines has inadvertently acquired beneficial ownership of 4.9% or more of our covered securities, so long as such person promptly enters into, and delivers to us, an irrevocable commitment to divest as promptly as practicable, and thereafter divests as promptly as practicable a sufficient number of our covered securities so that such person would no longer be a beneficial owner of 4.9% or more of our covered securities; or

- any affiliate, associate or stockholder of Centex Corporation, or the general partners, limited partners or members of such stockholders who would have been an acquiring person solely as a result of the execution, delivery or performance of the merger agreement between us and Centex or certain voting agreements relating to such merger until such time that such person acquires beneficial ownership of additional covered securities of ours.

Our Board may, in its sole discretion, exempt any person or group who would otherwise be an acquiring person from being deemed an acquiring person for purposes of the Rights Plan if it determines at any time prior to the time at which the Preferred Rights are no longer redeemable that the beneficial ownership of such person or group would not jeopardize, endanger or limit (in timing or amount) the availability of our NOLs and other tax benefits. Any such person or group is an "exempted person" under the Rights Plan. Our Board, in its sole discretion, may subsequently make a contrary determination and such person would then become an acquiring person.

An "exempted transaction" is a transaction that our Board determines, in its sole discretion, is an exempted transaction and, unlike the determination of an exempted person, such determination is irrevocable.

Separation from Common Shares. Initially, the Preferred Rights will be associated with our Common Shares and evidenced by Common Share certificates, which will contain a notation incorporating the Rights Plan by reference, and will be transferable with and only with the underlying Common Shares. Subject to certain exceptions, the Preferred Rights become exercisable and trade separately from our Common Shares only upon the "distribution date," which occurs upon the earlier of:

- 10 days following a public announcement that a person or group of persons has become an acquiring person or such earlier date as a majority of our Board becomes aware of the existence of an acquiring person (the "share acquisition date") (unless, prior to the expiration of our right to redeem the Preferred Rights, such person or group is determined by our Board to be an "exempted person"; in which case the share acquisition date will be deemed not to have occurred); or

- 10 business days (or later date if determined by our Board prior to such time as any person or group becomes an acquiring person) following the commencement of a tender offer or exchange offer which, if consummated, would result in a person or group becoming an acquiring person.

Until the distribution date, the surrender for transfer of any of outstanding Common Shares will also constitute the transfer of the Preferred Rights associated with those shares.

As soon as practicable after the distribution date, separate certificates or book-entry statements will be mailed to holders of record of Common Shares as of the close of business on the distribution date. From and after the distribution date, the separate Preferred Rights certificates or book-entry statements alone will represent the Preferred Rights. Except as otherwise provided in the Rights Plan, only Common Shares issued prior to the distribution date will be issued with Preferred Rights.

Expiration. The Preferred Rights are not exercisable until the distribution date and, unless earlier redeemed or exchanged by us as described below, will expire upon the earliest of:

- the close of business on June 1, 2025 (the "Expiration Date");

- the time at which the Preferred Rights are redeemed;

- the time at which the Preferred Rights are exchanged;

- the close of business on the effective date of the repeal of Section 382 or any successor statute if our Board determines that the Rights Plan is no longer necessary or desirable for the preservation of certain tax benefits; and

- the close of business on the first day of our taxable year to which our Board determines that certain tax benefits may not be carried forward.

Effects of Triggering Event. If a person or group becomes an acquiring person (a “flip-in event”), each holder of a Preferred Right (other than any acquiring person and certain transferees of an acquiring person, whose Preferred Rights automatically become null and void) will have the right to receive, upon exercise, Common Shares having a value equal to two times the exercise price of the Preferred Right. If an insufficient number of Common Shares are available for issuance, then our Board is required to substitute cash, reduction in the exercise price, property or other securities of ours for our Common Shares. The Preferred Rights may not be exercised following a flip-in event while we have the ability to cause the Preferred Rights to be redeemed, as described below.

For example, at an exercise price of $50 per Preferred Right, each Preferred Right not owned by an acquiring person (or by certain transferees thereof) following a flip-in event would entitle its holder to purchase $100 worth of our Common Shares (or other consideration, as noted above) for $50. Assuming that our Common Shares had a per share value of $15 at that time, the holder of each valid Preferred Right would be entitled to purchase approximately 6.7 Common Shares for $50.

Exchange. At any time after there is an acquiring person and prior to the acquisition by the acquiring person of 50% or more of our outstanding Common Shares, our Board may exchange the Preferred Rights (other than Preferred Rights owned by the acquiring person and certain transferees thereof which will have become void), in whole or in part, at an exchange ratio of one Common Share, or, at its option, one one-thousandth of a Series A Preferred Share (or of a share of a class or series of our Preferred Shares having equivalent rights, preferences and privileges (“equivalent preferred shares”)), per Preferred Right (subject to adjustment).

Adjustments. The exercise price payable, and the number of Preferred Shares or other securities or property issuable, upon exercise of the Preferred Rights are subject to adjustment from time to time to prevent dilution:

With certain exceptions, no adjustment in the exercise price will be required until cumulative adjustments amount to at least 1% of the exercise price. No fractional Series A Preferred Shares will be issued, and, in lieu thereof, an adjustment in cash will be made based on the market price of the Series A Preferred Shares on the last trading day prior to the date of exercise.

Redemption. In general, we may redeem the Preferred Rights in whole, but not in part, at a price of $0.001 per Preferred Right (subject to adjustment and payable in cash, Common Shares or other consideration deemed appropriate by our Board) at any time until the earlier of (i) ten days following the share acquisition date and (ii) the Expiration Date. Immediately upon the action of our Board authorizing any redemption, the Preferred Rights will terminate, and the only right of the holders of Preferred Rights will be to receive the redemption price.

Shareholder Rights; Tax Effects. Until a Preferred Right is exercised, its holder will have no rights as our shareholder, including, without limitation, the right to vote, the right to receive dividends or liquidation rights. Similarly, the Preferred Rights are not convertible and no preemptive rights or sinking fund provisions apply to the Preferred Rights. While the distribution of the Preferred Rights will not result in the recognition of taxable income by us or our shareholders, shareholders may, depending upon the circumstances, recognize taxable income after a flip-in event.

Amendment. The terms of the Preferred Rights may be amended by our Board without the consent of the holders of the Preferred Rights, including, without limitation, to extend the Expiration Date of the Rights Plan and to increase or decrease the purchase price. Once there is an acquiring person, however, no amendment can adversely affect the interests of the holders of the Preferred Rights.

Transfer Restrictions

Our By-laws contain certain restrictions on the direct or indirect transfer of (i) Common Shares, (ii) Preferred Shares (other than Preferred Shares described in Section 1504(a)(4) of the Internal Revenue Code of 1986, as amended (the "Code")), (iii) warrants, rights or options (including options within the meaning of Sections 1.382-2T(h)(4)(v) and 1.382-4 of the regulations promulgated under the Code by the United States Department of the Treasury ("Treasury Regulations")) to purchase our securities and (iv) any interest in us that would be treated as "stock" pursuant to Treasury Regulation § 1.382-2T(f)(18). The restrictions are designed to prohibit any such transfers that could limit or impair our ability to use our NOLs, capital loss forwards, general business credit carryforwards, alternative minimum tax credit forwards, foreign tax credit carryforwards, and similar tax benefits (collectively, the "tax benefits").

Specifically, subject to certain limited exceptions, the transfer restrictions prohibit any such transfers (including the creation or grant of an option) to the extent that, as a result of such transfer (or any series of transfers of which such transfer is a part), either (i) any person or group of persons would become the owner of 4.9% or more of our outstanding Common Shares, whether directly or indirectly, or (ii) the percentage ownership of an existing 4.9%-or-more holder of our outstanding Common Shares would increase. For purposes of the transfer restrictions, a person's ownership of Common Shares is regarded as including shares such person would be deemed to constructively own or which otherwise would be aggregated with shares owned by such person under Section 382 of the Code, and the Treasury Regulations thereunder.

The transfer restrictions will remain in effect until (i) the repeal of Section 382 of the Code or any successor law if our Board determines that the transfer restrictions are no longer necessary for the preservation of the tax benefits, (ii) the beginning of a taxable year of ours to which Board determines that no tax benefits may be carried forward or (iii) such date as our Board shall fix as the expiration date of the transfer restrictions.

The transferee of any such prohibited transfer will not be recognized as our shareholder for any purpose whatsoever in respect of the shares which are the subject of the prohibited transfer (such shares, the "excess shares"). Until the excess shares are acquired by another person in a transfer that is not prohibited, the purported transferee will not be entitled with respect to such excess shares to any rights as our shareholder, including the right to vote such excess shares and to receive dividends or distributions, whether liquidating or otherwise, in respect of such excess shares, if any, and the excess shares will be deemed to remain with the transferor unless and until the excess shares are transferred in a manner permitted under our By-laws.

As a condition to the registration of the transfer of any shares, any person who is a beneficial, legal or record holder of any shares, and any proposed transferee and any person controlling, controlled by or under common control with the proposed transferee, shall provide such information as we may request from time to time to determine compliance with these transfer restrictions or the status of our tax benefits.

Depositary Shares

We may elect to offer fractional Preferred Shares rather than full shares. If so, we will issue "depositary receipts" for these "depositary shares." Each depositary share will represent a fraction of a share of a particular series of Preferred Shares. If we offer depositary shares pursuant to these provisions in the future, the applicable prospectus supplement will describe the terms of the depository shares and the underlying Preferred Shares to which the depositary shares relate.

Voting Rights

Our Articles require, in addition to any vote required by law and subject to certain exceptions described below, the affirmative vote of a majority of the outstanding shares of the Company entitled to vote, and if a class or series is entitled to vote as a class, the affirmative vote of a majority of the outstanding shares of each such class or series entitled to vote (other than voting shares beneficially owned by the Interested Shareholder (as defined therein) who is, or whose Affiliate (as defined therein) is, a party to the Business Combination (as defined below) or an Affiliate or Associate (as defined therein) of the Interested Shareholder), at a meeting of shareholders in connection with (a) any merger or consolidation of the Company or any subsidiary with any "Interested Shareholder" or any corporation which is, or after the merger or consolidation would be, an "Affiliate" of an Interested Shareholder that was an Interested Shareholder prior to the transaction; (b) certain transfers to any Interested Shareholder or Affiliate of an Interested Shareholder, other than the Company or any of our subsidiaries, of any of our assets or any subsidiary which have an aggregate book value of 10% or more of consolidated net worth; (c) certain transfers by us or any subsidiary of "Equity Securities," as defined therein, of the Company or any subsidiary which have an aggregate market value of 5% or more of the total market value of our outstanding shares to any Interested Shareholder or Affiliate of an Interested Shareholder, other than us or our subsidiaries (subject to certain exceptions); (d) the adoption of any plan or proposal for our liquidation or dissolution proposed by or on behalf of an Interested Shareholder or any Affiliate of an Interested Shareholder; (e) any reclassification of securities or recapitalization of the Company, or any merger, consolidation or share exchange by us with any of our subsidiaries which has the effect of increasing the proportionate amount of the outstanding shares of any class of our Equity Securities or Equity Securities of any subsidiary which is directly or indirectly owned by an Interested Shareholder or any Affiliate of an Interested Shareholder (each of the Transactions referred to in clauses (a) through (e), a "Business Combination"); or (f) any agreement, contract or arrangement providing for one or more of the foregoing. An "Interested Shareholder" generally includes any beneficial owner of 10% or more of the voting power of the Company or any Affiliate of ours that at any time within the two year period prior to the date in question was the beneficial owner of 10% or more of the voting power of the Company.

The foregoing voting rights provisions are not applicable to any particular Business Combination, and such Business Combination shall only require such affirmative vote as is required by law and our Articles if (i) the Board approves such Business Combination and either the Interested Shareholder has been an Interested Shareholder continuously for at least two years prior to the date of the Board approval or such proposed transaction was approved by the Board prior to the time the Interested Shareholder became an Interested Shareholder or (ii) a majority of the outstanding stock of such other corporation is owned, directly or indirectly, by the Company or its subsidiaries.

The foregoing voting rights provisions may only be amended by the affirmative vote of a majority of the outstanding shares of the Company entitled to vote on the proposed amendment, and if a class or series is entitled to vote as a class, the affirmative vote of a majority of the outstanding shares of each such class or series entitled to vote, at a meeting of shareholders, in addition to any vote otherwise required by law.

Certain Anti-Takeover Effects and Provisions of our Articles and By-laws

Number of Directors; Filing Vacancies; Removal

Our Articles provide that the number of directors will be between three and fifteen directors and our Board will fix the exact number of directors to comprise our Board. A director may only be removed by vote of the holders of a majority of the shares entitled to vote at an election of directors. Additionally, any vacancy on the Board may only be filled by a majority of the remaining directors then in office, whether or not less than a quorum, or by a sole remaining director. These provisions have the effect of making it difficult for a potential acquirer to gain control of our Board.

Special Meetings

Our By-laws provide that special meetings may be called only by the Board, our President or our Secretary, or by such persons upon a request in writing signed by a majority of the Board or by the holders of not less than twenty percent of the capital stock of the Company issued and outstanding and entitled to vote thereat. This provision may delay consideration of a shareholder proposal until the Company's next annual meeting unless a special meeting is called pursuant to our By-laws.

Proxy Access and Advance Notice of Shareholder Nominations

Our By-laws have proxy access and advance notice procedures for shareholders to make nominations of candidates for election as directors. No business other than that stated in the notice for such meeting shall be transacted at any meeting without the unanimous consent of all the shareholders entitled to vote thereat. Our By-laws govern shareholder nominations of candidates for election as directors except with respect to the rights of holders of our Preferred Shares.

Under our By-laws, any shareholder entitled to vote in the election of directors may nominate one or more persons for election as directors at a meeting if written notice or notice by electronic transmission of such shareholder's intent to make such nomination or nominations has been given in proper written form to the Secretary of the Company not less than (90) days nor more than one hundred twenty (120) days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the annual meeting is convened more than thirty (30) days before or more than sixty (60) days after such anniversary date, or if no annual meeting was held in the preceding year, notice by the shareholder to be timely must be so received no more than one hundred twenty (120) days prior to such annual meeting nor less than the later of (i) ninety (90) days prior to such annual meeting and (ii) ten (10) days after the earlier of (A) the day on which notice of the date of the meeting was mailed or provided by the Corporation or (B) the day on which public disclosure of the date of the meeting was made. Each such notice must be accompanied by a written consent of each proposed nominee to being named in the proxy statement as a nominee and to serving as a director if elected, together with a written representation that such person currently intends to serve as a director for the term for which he or she is standing for election and must set forth, in addition to the other requirements set forth in the By-laws:

(i) as to each person whom the shareholder proposes to nominate for election as a director: (1) the name, age, business address and residence address of the person; (2) the principal occupation or employment of the person; (3) the class and number of common shares of the Company which are owned beneficially or of record by such person; and (4) any other information relating to the person that would be required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, pursuant to Section 14 of the Exchange Act or the rules and regulations promulgated thereunder; and

(ii) as to the shareholder giving the notice: (1) the name and address, as they appear on the Company's books, of such shareholder and the name and address of the beneficial owner, if any, on whose behalf the nomination is made (each, a "Nominating Party"); (2) the class and number of shares of capital stock of the Corporation which are owned beneficially or of record by such Nominating Party and each Shareholder Associated Person (as defined in the By-laws) on the date of such shareholder's notice; (3) a description of any Derivative Instrument (as defined in the Bylaws) directly or indirectly owned beneficially by each Proposing Party (as defined in the By-laws) or any Shareholder Associated Person; (4) a description of any proxy, contract, arrangement, understanding or relationship pursuant to which any Nominating Party or any Shareholder Associated Person has a right to vote (or act by consent with respect to) any class or series of shares of the Company; (5) any Short Interest (as defined in the By-laws) held by or involving any Nominating Party or any Shareholder Associated Person; (6) any rights to dividends on the shares of the Company owned beneficially by any Nominating Party or any Shareholder Associated Person that are separated or separable from the underlying shares of the Company; (7) any proportionate interest in shares of the Company or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which any Nominating Party or any Shareholder Associated Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership; (8) any performance-related fees (other than an asset-based fee) that any Nominating Party or any Shareholder Associated Person is entitled to based on any increase or decrease in the value of shares of the Company or Derivative Instruments, if any, including, without limitation, any such interests held by members of such Nominating Party's or such Shareholder Associated Person's immediate family sharing the same household; and (9) any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Company held by any Nominating Party or any Shareholder Associated Person.

In addition and pursuant to our By-laws, a shareholder, or group of up to 20 shareholders, that has owned continuously for at least three years Common Shares representing an aggregate of at least 3% of the Company's outstanding Common Shares, may nominate and include in the Company's proxy materials director nominees constituting up to 20% of the Company's Board of Directors, provided that the shareholder(s) and nominee(s) satisfy the requirements in the By-laws. A notice of such nomination must be delivered to or mailed and received by the Secretary of the Company at the principal executive offices of the Company not less than one hundred twenty (120) nor more than one hundred fifty (150) days in advance of the date which is the anniversary of the date the Company's proxy statement was released to security holders in connection with the previous year's annual meeting, except where information or documents are required to be provided after the date the notice is first submitted, as set forth in the By-laws, or, if the date of the applicable annual meeting has been changed by more than thirty (30) days from the date contemplated at the time of the previous year's proxy statement, not less than ninety (90) days before the date of the applicable annual meeting, or, if later, the tenth (10th) day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting, whichever occurs first, and in no event shall the adjournment or postponement of an annual meeting, or the announcement thereof, commence a new time period (or extend any time period) for the giving of the notice. In addition, the Company may solicit against, and include in the proxy statement its own statement relating to, a shareholder nominee included in the proxy statement and, in certain circumstances, may omit a nominee from its proxy statement. The nominating notice must provide certain information specified in the By-laws, including, without limitation:

- documentary evidence verifying and certifying that, the nominating shareholder owns, and has continuously owned for the preceding three years, the minimum number of shares required, and the nominating shareholder's agreement to provide documentary evidence verifying and certifying the nominating shareholder's continuous ownership of the minimum number of shares through the record date;

- an undertaking to provide immediate notice if the nominating shareholder ceases to own the minimum number of shares prior to the date of the annual meeting;

- a copy of the Schedule 14N (or any successor form) relating to the shareholder nominee, completed and filed with the Securities and Exchange Commission by the nominating shareholder as applicable, in accordance with Securities and Exchange Commission rules;

- the written consent of each shareholder nominee to being named in the Company's proxy statement, form of proxy and ballot as a nominee and to serving as a director if elected;

- a written notice of the nomination of such shareholder nominee that includes additional information, agreements, representations and warranties by the nominating shareholder or each member of a nominating group;

- an executed agreement pursuant to which the nominating shareholder or each member of a nominating group agrees to a number of specified covenants and other provisions;

- an executed questionnaire provided by the Company's Secretary upon request, which must be submitted within ten days of the nominating shareholder's first submission of the nomination notice; and

- an executed agreement, which must be submitted within ten (10) days of the nominating shareholder's first submission of the nomination notice, by the shareholder nominee with respect to certain representations, warranties and covenants.

Certain Provisions of the Michigan Business Corporation Act

Chapter 7A of the Michigan Business Corporation Act ("MBCA") may affect attempts to acquire control of the Company. Pursuant to our Articles, we have expressly elected not to be subject to the provisions of Chapter 7A of the MBCA; however, the Board may terminate this election in whole or in part by action of the majority of directors then in office. Chapter 7A applies to "Business Combinations," defined to include, among other transactions, certain mergers, substantial sales of assets or securities and recapitalizations between covered Michigan business corporations or their subsidiaries and an "Interested Shareholder" (generally a beneficial owner of 10% or more of the voting power of the Company's outstanding voting stock). In general, Chapter 7A requires, for any Business Combination, an advisory statement from the Board, the approval of holders of at least 90% of each class of the shares entitled to vote and the approval of holders of at least two-thirds of such voting shares not held by the Interested Shareholder, its affiliates and associates. These requirements do not apply, however, where the Interested Shareholder satisfies certain "fair price," form of consideration and other requirements and at least five years have elapsed after the person involved became an Interested Shareholder. Our Board has the power to elect to be subject to Chapter 7A as to specifically identified or unidentified Interested Shareholders.

Grant Acceptance

PulteGroup, Inc.
Employer ID: 38-2766606
3350 Peachtree Road NE, Suite 1500
Atlanta, GA 30326

Participant:	**Employee ID:**
_________________	_________________

You have been granted an Award of PulteGroup, Inc. Restricted Stock Units as follows:

Type of Award:	Restricted Stock Units
Grant No.:	_________________
Plan:	2022 Stock Incentive Plan
Date of Award:	_________________
Total Number of Shares Awarded:	_________________

Vesting Schedule	**Number of Shares Vesting as of Stated Date**
_____________________	_____________________

By your acceptance of this Award through the Fidelity website, you agree that this Award is granted under and governed by the terms and conditions of the PulteGroup, Inc. 2022 Stock Incentive Plan and by the terms and conditions of the Restricted Stock Unit Award Agreement, which is attached to the Grant Acceptance. You may also access a copy of the related prospectus through the Fidelity website.

PULTEGROUP, INC.

2022 STOCK INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the provisions of the PulteGroup, Inc. 2022 Stock Incentive Plan (the "Plan"), the employee named in the Grant Acceptance (the "Holder") has been granted a restricted stock unit award (the "Award") with respect to the number of common shares, $.01 par value per share, of PulteGroup, Inc., a Michigan corporation (the "Company"), set forth in the Grant Acceptance (the "Shares"), subject to adjustment as provided herein and in the Plan. The Award is subject to the restrictions, terms and conditions set forth below. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan. This Agreement, together with the Grant Acceptance, constitute the Restricted Stock Unit Agreement which is made and entered into as of the grant date set forth in the Grant Acceptance (the "Grant Date").

1. Award Subject to Acceptance of Agreement. The Award shall be null and void unless the Holder accepts this Agreement by executing the Grant Acceptance in the space provided therefor and returning an original execution copy of the Grant Acceptance to the Company (or electronically accepting this Award within the Holder's stock plan account with the Company's stock plan administrator according to the procedures then in effect).

2. Rights as a Shareholder; Dividend Equivalents. The Holder shall not be entitled to any privileges of ownership with respect to the Shares subject to the Award unless and until, and only to the extent, such Shares become vested pursuant to Section 3 hereof and the Holder becomes a shareholder of record with respect to such Shares. The Award includes a right to receive dividend equivalents equal to the value of any dividends paid on the Shares (the "Dividend Equivalents") for which the dividend record date occurs between the Grant Date and the date the Award is settled. Subject to vesting, each Dividend Equivalent entitles the Holder to receive the equivalent cash value, without interest, of any such dividends paid on the number of Shares underlying the Award that are outstanding during such period. Dividend Equivalents will be accrued and will be subject to the same conditions as the restricted stock units to which they are attributable, including, without limitation, the vesting conditions and the provisions governing the time and form of settlement of the Award.

3. Restriction Period and Vesting.

3.1 Service-Based Vesting. Except to the extent earlier forfeited or vested pursuant to this Section 3 or the terms of the Plan, the Award shall vest on the third anniversary of the Grant Date (the "Vesting Date").

3.2 Termination due to Death or Disability. If the Holder's employment by the Company terminates by reason of the Holder's death or Disability, the Award shall become fully vested as of the date of the Holder's termination of employment.

3.3 Qualifying Retirement. If the Holder's employment by the Company is terminated by reason of a "Qualifying Retirement" (as such term is defined in the PulteGroup, Inc. Amended Retirement Policy, effective as of January 31, 2024, as may be amended from time to time) and the Holder executes and does not revoke a Release, Non-Competition, Non-Solicitation and Confidentiality Agreement (the "Release") within 30 days (or such later time as set forth in the Release at the time of Qualifying Retirement (but not to exceed 52 days)) after the date of

Holder's Qualifying Retirement, in a form satisfactory to the Company which shall include a two-year non-competition and non-solicitation period, the Shares subject to the Award (and associated Dividend Equivalents) shall vest on the Vesting Date set forth set forth in Section 3.1, assuming the Holder had remained employed with the Company through the Vesting Date and provided that the Holder's release becomes irrevocable. If the Holder does not execute the Release or timely revokes such Release, the portion of the Award which is not vested as of the date of the Holder's Qualifying Retirement shall not vest and shall be forfeited by the Holder.

3.4 Termination due to Reduction in Force and Other than due to Death, Disability, Qualifying Retirement or Change in Control. If the Holder's employment by the Company is terminated by the Company due to a reduction in force, as determined in the sole discretion by the Committee (or the Committee's authorized delegate), and such termination is not for any reason specified in Section 3.2, 3.3, 3.5, or 3.6 hereof, and the Holder executes and does not revoke a Release within 30 days (or such later time as set forth in the Release at the time of the Holder's termination (but not to exceed 52 days)), then the portion of the Award which is not vested shall vest pro-rata based on the number of days employed by the Holder from the Grant Date through the date of such termination divided by the number of days from the Grant Date through the Vesting Date, rounded up to the nearest whole share, and the portion of the Award which does not vest pursuant to this Section 3.4 shall be forfeited by the Holder.

3.5 Termination for Cause or Other than due to Death, Disability or Qualifying Retirement. If the Holder's employment by the Company is terminated by the Company for Cause, or for any reason other than a reason specified in Section 3.2, 3.3, 3.4 or 3.6 hereof, the portion of the Award which is not vested as of the date of the Holder's termination of employment shall be forfeited by the Holder.

3.5 Change in Control. In the event a Change in Control occurs and the Holder's employment is terminated by the Company without Cause or by the Holder for Good Reason following such Change in Control, the Award shall become fully vested as of the date of the Holder's termination of employment.

4. Issuance and Delivery of Shares and Dividend Equivalents. Subject to Section 6.9, within sixty (60) days after the vesting of the Award, the Company shall issue or deliver, subject to the conditions of this Agreement, the vested Shares and Dividend Equivalents to the Holder. Such issuance or delivery of Shares shall be evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to such issuance or delivery of Shares, except as otherwise provided in Section 6. Prior to the issuance to the Holder of the Shares subject to the Award, the Holder shall have no direct or secured claim in any specific assets of the Company or in such Shares, and will have the status of a general unsecured creditor of the Company.

5. Additional Terms and Conditions of Award.

5.1 Nontransferability of Award. Prior to the vesting of the Award and delivery of the Shares, the Award may not be transferred by the Holder other than by will, the laws of descent and distribution or pursuant to beneficiary designation procedures approved by the Company. Except to the extent permitted by the foregoing, the Award may not be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process.

5.2 Investment Representation. The Holder hereby represents and covenants that (a) any Shares acquired upon the vesting of the Award will be acquired for investment and not with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), unless such acquisition has been registered under the Securities Act and any applicable state securities law; (b) any subsequent sale of any such Shares shall be made either pursuant to an effective registration statement under the Securities Act and any applicable state securities laws, or pursuant to an exemption from registration under the Securities Act and such state securities laws; and (c) if requested by the Company, the Holder shall submit a written statement, in form satisfactory to the Company, to the effect that such representation (x) is true and correct as of the date of acquisition of any Shares hereunder or (y) is true and correct as of the date of any sale of any such Shares, as applicable. As a further condition precedent to the delivery to the Holder of any Shares subject to the Award, the Holder shall comply with all regulations and requirements of any regulatory authority having control of or supervision over the issuance of the Shares and, in connection therewith, shall execute any documents which the Board or the Committee shall in its sole discretion deem necessary or advisable.

5.3 Withholding Taxes. (a) As a condition precedent to the delivery to the Holder of any Shares or the payment of Dividend Equivalents upon vesting of the Award, the Holder shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (or such higher withholding amount elected by the Holder) (the "Required Tax Payments") with respect to the Award. If the Holder shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to the Holder or withhold Shares.

(b) The Holder may elect to satisfy his or her obligation to advance the Required Tax Payments by any of the following means: (1) a cash payment to the Company; (2) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole Shares having a Fair Market Value, determined as of the date the obligation to withhold or pay taxes first arises in connection with the Award (the "Tax Date"), equal to the Required Tax Payments; (3) authorizing the Company to withhold from the Shares otherwise to be delivered to the Holder pursuant to the Award, a number of whole Shares having a Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments; or (4) any combination of (1), (2) and (3). Shares to be delivered or withheld may not have a Fair Market Value in excess of the maximum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by the Holder. No Shares or Dividend Equivalents shall be delivered until the Required Tax Payments have been satisfied in full.

5.4 Compliance with Applicable Law. The Award is subject to the condition that if the listing, registration or qualification of the Shares subject to the Award upon any securities exchange or under any law, or the consent or approval of any governmental body, or the taking of any other action is necessary or desirable as a condition of, or in connection with, the delivery of such Shares, the Shares subject to the Award shall not be delivered, in whole or in part, unless such listing, registration, qualification, consent or approval shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company agrees to use reasonable efforts to effect or obtain any such listing, registration, qualification, consent or approval.

5.5 Adjustment. In the event of any equity restructuring (within the meaning of Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation) that causes the per share value of the Shares to change, such as a stock dividend, stock split, spinoff, rights offering or recapitalization through an extraordinary dividend, the number and class of securities subject to the Award shall be equitably adjusted by the Committee. In the event of any other change in corporate capitalization, including a merger, consolidation, reorganization, or partial or complete liquidation of the Company, such equitable adjustments described in the foregoing sentence may be made as determined to be appropriate and equitable by the Committee (or, if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) to prevent dilution or enlargement of rights of participants. The decision of the Committee regarding any such adjustment shall be final, binding and conclusive.

5.6 Award Confers No Rights to Continued Employment. In no event shall the granting of the Award or its acceptance by the Holder give or be deemed to give the Holder any right to continued employment by the Company or a Subsidiary.

5.7 Decisions of Board of Directors or Committee. The Board or the Committee shall have the right to resolve all questions which may arise in connection with the Award. Any interpretation, determination or other action made or taken by the Board or the Committee regarding the Plan or this Agreement shall be final, binding and conclusive.

5.8 Agreement Subject to the Plan. This Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. The Holder hereby acknowledges receipt of a copy of the Plan.

6. Miscellaneous Provisions.

6.1 Employment by Subsidiary. References in this Agreement to employment by the Company shall also mean employment by a Subsidiary.

6.2 Successors. This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall, upon the death of the Holder, acquire any rights hereunder in accordance with this Agreement or the Plan.

6.3 Notices. All notices, requests or other communications provided for in this Agreement shall be made, if to the Company, to PulteGroup, Inc., 3350 Peachtree Road, NE, Suite 150, Atlanta, GA, Attention: Executive Vice President and Chief Legal Officer and if to the Holder, to the last known mailing address of the Holder contained in the records of the Company. All notices, requests or other communications provided for in this Agreement shall be made in writing either (a) by personal delivery, (b) by facsimile with confirmation of receipt, (c) by mailing in the United States mails or (d) by express courier service. The notice, request or other communication shall be deemed to be received upon personal delivery, upon confirmation of receipt of facsimile transmission, upon receipt by the party entitled thereto if by express courier service, or five days after the date mailed if by United States mails; provided, however, that if a notice, request or other communication is not received during regular business hours, it shall be deemed to be received on the next succeeding business day of the Company.

6.4 Governing Law. This Agreement, the Award and all determinations made and actions taken pursuant hereto and thereto, to the extent not otherwise governed by the laws of the United States, shall be governed by the laws of the State of Michigan and construed in accordance therewith without giving effect to conflicts of laws principles.

6.5 Counterparts. This Agreement may be executed in two counterparts each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

6.6 Entire Understanding. This Agreement and the Plan contain the entire understanding of the parties hereto with respect to the subject matter of the Agreement and supersedes all prior agreements, written or oral, with respect thereto.

6.7 Arbitration. The Holder acknowledges and agrees that any and all disputes related to compensation such as this Agreement or Award will be exclusively resolved through the Company's Alternative Dispute Resolution Policy located in the Employee Handbook.

6.8 Statute of Limitations. Any action, claim or lawsuit relating to this Agreement must be filed no more than six (6) months after the date of the employment action that is the subject of the action, claim or lawsuit. The Holder voluntarily waives any statute of limitations to the contrary.

6.9 Compliance With Section 409A of the Code. This Award is intended to be exempt from or comply with Section 409A of the Code, and shall be interpreted and construed accordingly. To the extent this Agreement provides for the Award to become vested and be settled upon the Holder's termination of employment, the applicable Shares and any Dividend Equivalents shall be transferred to the Holder or his or her beneficiary upon the Holder's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Award, to the extent any payments hereunder constitute nonqualified deferred compensation, within the meaning of Section 409A of the Code, then (A) each such payment which is conditioned upon Holder's execution of a release and which is to be paid or provided during a designated period that begins in one taxable year and ends in a second taxable year, shall be paid or provided in the later of the two taxable years, (B) if Holder is a specified employee (within the meaning of Section 409A of the Code) as of the date of Holder's separation from service, each such payment that is payable upon Holder's separation from service and would have been paid prior to the six-month anniversary of Holder's separation from service, shall be delayed until the earlier to occur of (i) the first day of the seventh month following the Holder's separation from service or (ii) the date of Holder's death, (C) if the Holder's termination is due to Disability or due to a reduction in force under Section 3.4 and the Holder satisfies the age and service requirements for a Qualifying Retirement, then the Award will vest in accordance with Section 3.1 or 3.4, as applicable, but will be settled in accordance with Section 3.3, and (D) if the Holder's employment is terminated by the Company without Cause or by the Holder for Good Reason under Section 3.6 and the Holder satisfies the age and service requirements for a Qualifying Retirement and either (x) such termination occurs more than two years following a Change in Control or (y) the Change in Control is not a "change in control event" within the meaning of Section 409A of the Code, then the Award will vest in accordance with Section 3.6 but will be settled in accordance with Section 3.3.

6.10 Award Subject to Clawback. The Award and any Shares or Dividend Equivalents delivered pursuant to the Award are subject to forfeiture, recovery by the Company or other action pursuant to any clawback or recoupment policy which the Company may adopt from time to time, including without limitation the PulteGroup, Inc. Dodd-Frank Clawback Policy and the PulteGroup, Inc. Misconduct Clawback Policy, or as otherwise required by law or applicable listing standards.

Appendix of Definitions

"Cause" shall mean a determination by the Company that the Holder has (i) willfully and continuously failed to substantially perform the duties assigned by the Company or a Subsidiary with which the Holder is employed (other than a failure resulting from the Holder's Disability), (ii) willfully engaged in conduct which is demonstrably injurious to the Company or any Subsidiary, monetarily or otherwise, including conduct that, in the reasonable judgment of the Company, does not conform to the standard of the Company's executives or employees, or (iii) engaged in any act of dishonesty, the commission of a felony or a significant violation of any statutory or common law duty of loyalty to the Company or any Subsidiary.

"Disability" shall mean a sickness or disability extending for more than three (3) consecutive months as a result of which the Holder is unable to perform his or her duties for the Company or an affiliate, as applicable, in the required and customary manner and that will continue for not less than an additional three (3) months, as determined by the Company in its sole discretion. In the event of any dispute regarding the existence of the Holder's Disability hereunder, the matter shall be resolved by the determination of a physician selected by the Committee and reasonably acceptable to the Holder. The Holder shall submit to appropriate medical examinations for purposes of such determination.

"Good Reason" shall mean the occurrence of any of the following events without the Holder's prior written consent: (i) a material diminution in the Holder's annual base salary; (ii) a material diminution in the Holder's authority, duties or responsibilities; or (iii) a material change in the geographic location at which the Holder must perform services; provided that, the Holder must notify the Company of his or her intention to terminate his or her employment by written notice to the Company within ninety (90) days of the initial existence of such event and the Company shall have thirty (30) days to cure such event after receipt of such notice. If the Company shall fail to cure such event, the Holder may terminate his or her employment for Good Reason within thirty (30) days following the expiration of the Company's cure period.

PULTEGROUP, INC.
Grant Acceptance Agreement

Pursuant to the PulteGroup, Inc. 2022 Stock Incentive Plan (the "Plan) _______ ("the Participant") has been granted a restricted stock unit award described below. Certain terms and conditions of the restricted stock unit award are set forth immediately below in this Grant Acceptance Agreement. Other terms and conditions are set forth in the Restricted Stock Unit Award Agreement which is appended to this Grant Acceptance Agreement. The Grant Acceptance Agreement and the Restricted Stock Unit Award Agreement are together the "Agreement" which is made and entered into between PulteGroup, Inc., a Michigan corporation ("the Company"), and the Participant as of the Grant Date. Capitalized terms not otherwise defined in this Grant Acceptance Agreement are defined in the Plan or the Restricted Stock Unit Award Agreement.

Grant Date:	________ ___, 2025
Individual Award Opportunity ("Target RSUs"):	_______ of the Company's common shares, $.01 par value (the "Shares")
Performance Period:	January 1, 2025 – December 31, 2027
Performance Measures:	Relative TSR (33.4%) Relative Return on Equity (33.3%) Relative Operating Margin % (33.3%)
Payout Range (as a percentage of the Target RSUs):	0-200%
Vesting Date:	December 31, 2027

Subject to the terms of the Agreement, the restricted stock units (the "Award") shall be earned as follows:

Performance Measure #1 - Relative Total Shareholder Return

33.4% to be based on the Company's 3-year average Relative TSR against the TSR Comparator Group as follows:

3-Year Relative TSR Performance Ranking	Payout
1	200%
2	170%
3	150%
4	120%
5	100%
6	80%
7	60%
8	40%
9	20%
10	0%

The following definitions shall apply for purposes of determining the amounts payable pursuant to this Award:

"Average Stock Price" means the average of the closing transaction prices of a share of common stock of a company, as reported on the principal national stock exchange on which such common stock is traded, for the 60 trading days including and immediately preceding the date for which the Average Stock Price is being determined.

"TSR Comparator Group" means, D.R. Horton, Inc., KB Home, Lennar Corporation, M/I Homes, Meritage Homes Corporation, NVR, Inc., Taylor Morrison, Inc., Toll Brothers, Inc. and Tri Pointe Homes, Inc.; provided, however, that if a member of the TSR Comparator Group ceases to be publicly traded during the Performance Period, such member shall be excluded for purposes of determining the TSR Performance.

"Relative TSR" means a company's cumulative total shareholder return as measured by dividing (A) the sum of (i) the cumulative amount of dividends during the Performance Period, assuming dividend reinvestment, and (ii) the increase or decrease in the Average Stock Price, measured based on the Average Stock Price as of the first day and last day of the Performance Period, by (B) the Average Stock Price as of the first day of the Performance Period.

Performance Measure #2 – Relative Return on Equity (ROE)

33.3% to be based on the Company's 3-year Average ROE performance against the ROE Comparator Group as follows:

3-Year Relative ROE Performance Ranking*	Payout
1	200%
2	170%
3	150%
4	120%
5	100%
6	80%
7	60%
8	40%
9	20%
10	0%

*ROE for the Company and the ROE Comparator Group will be measured over the three-year period ending on September 30, 2027. The following definitions shall apply for purposes of determining the amounts payable pursuant to this Award:

“ROE Comparator Group” means, D.R. Horton, Inc., KB Home, Lennar Corporation, M/I Homes, Meritage Homes Corporation, NVR, Inc., Taylor Morrison, Inc., Toll Brothers, Inc. and Tri Pointe Homes, Inc.; provided, however, that if a member of the ROE Comparator Group ceases to be publicly traded during the Performance Period, such member shall be excluded for purposes of determining the ROE Performance.

“Average ROE” is to be calculated as consolidated net income (i.e., the numerator) for the trailing twelve months divided by average consolidated shareholders’ equity (i.e., the denominator), where consolidated average shareholders' equity is the sum of the ending shareholders' equity balances of the trailing five quarters divided by five.

Performance Measure #3 – Relative Operating Margin % (OM)

33.3% to be based on the Company’s 3-year Average OM Performance against the ROM Comparator Group as follows:

3-Year Relative OM Performance Ranking*	Payout
1	200%
2	170%
3	150%
4	120%
5	100%
6	80%
7	60%
8	40%
9	20%
10	0%

*OM for the Company and the Relative OM Comparator Group will be measured over the three-year period ending on September 30, 2027.

The following definitions shall apply for purposes of determining the amounts payable pursuant to this Award:

"Relative OM Comparator Group" means, D.R. Horton, Inc., KB Home, Lennar Corporation, M/I Homes, Meritage Homes Corporation, NVR, Inc., Taylor Morrison, Inc., Toll Brothers, Inc., and Tri Pointe Homes, Inc.; provided, however, that if a member of the Relative OM Comparator Group ceases to be publicly traded during the Performance Period, such member shall be excluded for purposes of determining the Relative OM Performance.

OM is to be calculated as:

Home Sale Revenues less Home Sale Cost of Revenues less SG&A expenses (inclusive of homebuilding and corporate) = Operating Margin (i.e., the numerator)

divided by

Home Sale Revenues (i.e., the denominator)

For all three measures, payouts for performance between rankings will be determined based on straight line interpolation.

In the event of any merger, stock or asset acquisition, consolidation, combination, spin-off, distribution of assets to shareholders, exchange of shares, or other similar corporate change with regard to the Company, appropriate adjustments shall be made by the Committee to the calculation of the Performance Measures. In the event of any changes in generally accepted accounting principles, appropriate adjustments shall be made by the Committee to the calculation of the Performance Measures, including the performance attainment of the applicable peer companies. The Committee’s determination with respect to any such adjustment shall be conclusive.

Regardless of performance, in no event will the calculated payout for the Award exceed 200% of target.

The Award shall be settled in Shares following the expiration of the Performance Period or such earlier date as required by the Restricted Stock Unit Award Agreement. The Participant acknowledges receipt of copies of the Restricted Stock Unit Award Agreement and the Plan (which are incorporated by reference and made a part hereof) and this Grant Acceptance Agreement and agrees to abide by all of the terms and conditions of the Restricted Stock Unit Award Agreement and the Plan.

In witness whereof, the parties have executed the Agreement as of _______ ___, 2025.

PULTEGROUP, INC.,
a Michigan corporation

By: ____

Name:
Title:

Agreed and Accepted:
____

Name:
Title:

PULTEGROUP, INC.
Restricted Stock Unit Award Agreement

PulteGroup, Inc., a Michigan corporation (the "Company"), hereby grants to _________ (the "Participant") as of _______ ____, 2025 (the "Grant Date") a restricted stock unit award (the "Award') representing the right to receive the number of common shares of the Company, $.01 par value (the "Shares"), set forth on the Grant Acceptance Agreement and subject to adjustment as provided herein and in the PulteGroup, Inc. 2022 Stock Incentive Plan (the "Plan"). The Award is subject to the restrictions, terms and conditions set forth below, the Grant Acceptance Agreement and in the Plan. Capitalized terms not defined herein shall have the meanings specified in the Plan.

1. Award Subject to Acceptance of Agreement. The Award shall be null and void unless the Participant shall accept this Agreement by executing the Grant Acceptance Agreement and returning it to the Company at such time as shall be satisfactory to the Company.

2. Rights as a Shareholder; Dividend Equivalents. The Participant shall not be entitled to any privileges of ownership with respect to the Shares subject to the Award unless and until, and only to the extent, the Award is settled in Shares pursuant to the Grant Acceptance Agreement attached hereto and the Participant becomes a shareholder of record with respect to such Shares. The Award includes a right to receive dividend equivalents equal to the value of any dividends paid on the Shares (the "Dividend Equivalents") for which the dividend record date occurs between the Grant Date and the date the Award is settled. Subject to vesting, each Dividend Equivalent entitles the Participant to receive the equivalent cash value, without interest, of any such dividends paid on the number of Shares underlying the Target RSUs that are outstanding during such period, with such Dividend Equivalents adjusted to reflect the vesting level with respect to the achievement of the performance conditions set forth on the Grant Acceptance Agreement. Dividend Equivalents will be accrued and will be subject to the same conditions as the restricted stock units to which they are attributable, including, without limitation, the vesting and performance conditions and the provisions governing the time and form of settlement of the Award.

3. Vesting and Forfeiture.

3.1. Service Vesting Requirement. Subject to the remainder of this Section 3, if the Participant remains in continuous employment with the Company through the date set forth in the Grant Acceptance Agreement (the "Vesting Date"), the Participant shall be entitled to receive an amount equal to the amount set forth in the Grant Acceptance Agreement based on satisfaction of the performance measures. Except as otherwise provided herein, if the Participant's employment by the Company terminates prior to the Vesting Date, the Participant shall forfeit all rights with respect to the Award and the Award shall be cancelled by the Company. The Award shall be paid as soon as practicable following the Vesting Date but no later than the March 15th occurring immediately after the Vesting Date.

3.2. Termination by Reason of Death or Termination by the Company due to Disability. If the Participant's employment with the Company terminates by reason of death or a termination by the Company due to Disability, the Participant or the Participant's Beneficiary, as the case may be, shall be entitled to a prorated Award (and associated Dividend Equivalents). Such prorated Award shall be equal to the Target RSUs (and associated Dividend Equivalents) set forth in the Grant Acceptance Agreement multiplied by a fraction, the numerator of which shall equal the number of days such Participant was employed with the Company during the Performance Period and the denominator of which shall equal the number of days in the Performance Period. Notwithstanding anything herein to the contrary, a prorated Award (and associated Dividend Equivalents) payable pursuant to this Section 3.2, shall be paid to the Participant or Participant's Beneficiary, as the case may be, no later than the March 15th occurring immediately after the year in which the Participant's employment terminates.

3.3. Termination by the Company prior to a Change in Control other than for Cause, death or Disability or by the Participant for Good Reason. If the Participant's employment with the Company is terminated by (i) the Company prior to a Change in Control other than for Cause, death or Disability or (ii) if the Participant is subject to the Company's Amended and Restated Executive Severance Policy (the "Executive Severance Policy") as of the Grant Date, by the Participant prior to a Change in Control for Good Reason, the Performance Period shall continue through the last day thereof and the Participant shall be entitled to a prorated Award (and associated Dividend Equivalents). Such prorated Award shall be equal to the value of the Award (and associated Dividend Equivalents) at the end of the Performance Period based on the actual performance during the Performance Period multiplied by a fraction, the numerator of which shall equal the number of days such Participant was employed with the Company during the Performance Period and the denominator of which shall equal the number of days in the Performance Period. Notwithstanding anything herein to the contrary, a prorated Award (and associated Dividend Equivalents) payable pursuant to this Section 3.3 shall be paid to the Participant as soon as practicable following the Vesting Date but no later than the March 15th occurring immediately after the Vesting Date.

3.4. Termination Upon Retirement. If the Participant experiences a Qualifying Retirement after December 31st of the year in which the Grant Date occurs, then the Participant shall be entitled to the Award (and associated Dividend Equivalents), based on the actual performance during the Performance Period. Notwithstanding anything herein to the contrary, any Award (and associated Dividend Equivalents) payable pursuant to this Section 3.4 shall be paid to the Participant as soon as practicable following the Vesting Date but no later than the March 15th occurring immediately after the Vesting Date. For the avoidance of doubt, if the Participant experiences a Qualifying Retirement on or prior to December 31st of the year in which the Grant Date occurs, the Award will be forfeited in its entirety.

3.5. Termination by Reason of Voluntary Termination by Participant other than for Good Reason or Termination by the Company for Cause. If the Participant's employment with the Company is terminated voluntarily by Participant for any reason (other than for Good Reason for Participants subject to the Executive Severance Policy as of the Grant Date) or is terminated by the Company for Cause, the Participant's Award (and associated Dividend Equivalents) that is unvested as of the date of termination shall be immediately forfeited.

3.6. Change in Control.

(a) In the event a Change in Control occurs during the Performance Period and the Participant remains employed with the Company through the Vesting Date, the amount of the Award payable to the Participant shall equal the greater of (A) the Target RSUs (and associated Dividend Equivalents) and (B) the Award (and associated Dividend Equivalents) payable based on actual performance during the Performance Period. Notwithstanding anything herein to the contrary, the Award (and associated Dividend Equivalents) payable pursuant to this Section 3.6(a) shall be paid as soon as practicable following the Vesting Date but no later than the March 15th occurring immediately after the Vesting Date.

(b) In the event a Change in Control occurs during the Performance Period and the Participant's employment is terminated by the Company without Cause or by the Participant for Good Reason following such Change in Control, the Participant shall be entitled to an Award equal to the Target RSUs (and associated Dividend Equivalents) set forth in the Grant Acceptance Agreement. Notwithstanding anything herein to the contrary, the Award (and associated Dividend Equivalents) payable pursuant to this Section 3.6(b), shall be paid to the Participant no later than the March 15th occurring immediately after the year in which the Participant's employment terminates.

3.7. Definitions

(a) "Cause" shall mean a determination by the Company that the Participant has (i) willfully and continuously failed to substantially perform the duties assigned by the Company or a Subsidiary with which the Participant is employed (other than a failure resulting from the Participant's Disability), (ii) willfully engaged in conduct which is demonstrably injurious to the Company or any Subsidiary, monetarily or otherwise, including conduct that, in the reasonable judgment of the Company, does not conform to the standard of the Company's executives or employees, or (iii) engaged in any act of dishonesty, the commission of a felony or a significant violation of any statutory or common law duty of loyalty to the Company or any Subsidiary.

(b) "Disability" shall mean a sickness or disability extending for more than three (3) consecutive months as a result of which the Participant is unable to perform his or her duties for the Company or an affiliate, as applicable, in the required and customary manner and that will continue for not less than an additional three (3) months, as determined by the Company in its sole discretion. In the event of any dispute regarding the existence of the Participant's Disability hereunder, the matter shall be resolved by the determination of a physician selected by the Committee and reasonably acceptable to the Participant. The Participant shall submit to appropriate medical examinations for purposes of such determination.

(c) "Good Reason" shall mean the occurrence of any of the following events without the Participant's prior written consent: (i) a material diminution in the Participant's annual base salary; (ii) a material diminution in the Participant's authority, duties or responsibilities; or (iii) a material change in the geographic location at which the Participant must perform services; provided that, the Participant must notify the Company of his or her intention to terminate his or her employment by written notice to the Company within ninety (90) days of the initial existence of such event and the Company shall have thirty (30) days to cure such event after receipt of such notice. If the Company shall fail to cure such event, the Participant may terminate his or her employment for Good Reason within thirty (30) days following the expiration of the Company's cure period.

(d) "Qualifying Retirement" shall mean a termination of employment by the Participant (i) on or after the attainment of age 60 and the completion of five consecutive years of service or (ii) on or after the attainment of age 55 and the completion of ten consecutive years of service; provided that, the Participant delivers his or her notice of retirement to the Company at least six months prior to the anticipated retirement date.

4. Settlement of Award. The Company shall issue or transfer to the Participant the number of Shares, if any, determined pursuant to the Grant Acceptance Agreement and this Agreement. Notwithstanding any other provision in the Agreement to the contrary, the Company shall not issue or transfer any Shares (or associated Dividend Equivalents) subject to the Award, unless and until the Committee has certified that the

applicable Performance Measures have been satisfied, which certification shall occur no later than March 15th following the Vesting Date; except with respect to Awards payable pursuant to Section 3.2 or Target RSUs payable pursuant to Section 3.6(b). The Company may effect such transfer by an appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company, and in either case by issuing such Shares in the Participant's name or in such other name as is acceptable to the Company and designated in writing by the Participant. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to such delivery, except as otherwise provided in Section 5.3. Any fraction of a Share shall be disregarded and the Company shall pay to the Participant at the same time that the Shares are distributed to the Holder an amount in cash determined by multiplying (i) the fraction of such Share by (ii) the fair market value of a Share, as determined by the Committee, on the Tax Date as defined in Section 5.3(b).

5. Additional Terms and Conditions of Award.

5.1. Nontransferability of Award. The Award and any rights thereunder shall not be transferable other than by will or the laws of descent and distribution or pursuant to any Beneficiary designation procedures as may approved by the Committee for such purpose. Except as permitted by the preceding sentence, the Award shall not be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process. Upon any attempt by the Participant to so sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of the Award, the Award and all rights thereunder shall immediately become null and void.

5.2. Investment Representation. The Participant hereby represents and covenants that (a) any Shares acquired upon the settlement of the Award will be acquired for investment and not with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), unless such acquisition has been registered under the Securities Act and any applicable state securities law; (b) any subsequent sale of any such Shares shall be made either pursuant to an effective registration statement under the Securities Act and any applicable state securities laws, or pursuant to an exemption from registration under the Securities Act and such state securities laws; and (c) if requested by the Company, the Participant shall submit a written statement, in form satisfactory to the Company, to the effect that such representation (x) is true and correct as of the date of acquisition of any Shares hereunder or (y) is true and correct as of the date of any sale of any such Shares, as applicable. As a further condition precedent to the delivery to the Participant of any Shares subject to the Award, the Participant shall comply with all regulations and requirements of any regulatory authority having control of or supervision over the issuance of the Shares and, in connection therewith, shall execute any documents which the Board or the Committee shall in its sole discretion deem necessary or advisable.

5.3. Withholding Taxes.

(a) As a condition precedent to the delivery to the Participant of any Shares subject to the Award or the payment of Dividend Equivalents, the Participant shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (or such higher withholding amount elected by the Holder) (the "Required Tax Payments") with respect to the Award. If the Participant shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to the Participant or withhold Shares.

(b) The Participant may elect to satisfy his or her obligation to advance the Required Tax Payments by any of the following means: (1) a cash payment to the Company pursuant to Section 5.3(a), (2) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of Shares having a fair market value, as determined by the Committee and as determined as of the date the obligation to withhold or pay taxes first arises in connection with the Award (the "Tax Date"), equal to the Required Tax Payments, (3) authorizing the Company to withhold from the Shares otherwise to be delivered to the Participant pursuant to the Award, a number of whole Shares having a fair market value, as determined by the Committee and as determined as of the Tax Date, equal to the Required Tax Payments, or (4) any combination of (1), (2) and (3). Shares to be delivered or withheld may not have a Fair Market Value in excess of the maximum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by the Participant. No Shares or Dividend Equivalents shall be delivered until the Required Tax Payments have been satisfied in full.

5.4. Compliance with Applicable Law. The Award is subject to the condition that if the listing, registration or qualification of the Shares subject to the Award upon any securities exchange or under any law, or the consent or approval of any governmental body, or the taking of any other action is necessary or desirable as a condition of, or in connection with, the vesting or delivery of such Shares, the Shares subject to the Award shall not vest or be delivered, in whole or in part, unless such listing, registration, qualification, consent or approval shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company agrees to use reasonable efforts to effect or obtain any such listing, registration, qualification, consent or approval.

5.5. Award Confers No Rights to Continued Employment. In no event shall the granting of the Award or its acceptance by the Participant give or be deemed to give the Participant any right to continued employment by the Company or a Subsidiary.

5.6. Decisions of the Board or Committee. The Board or the Committee shall have the right to resolve all questions which may arise in connection with the Award. Any interpretation, determination or other action made or taken by the Committee regarding the Program or this Agreement shall be final, binding and conclusive.

5.7. Agreement Subject to the Plan. This Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. The Participant hereby acknowledges receipt of a copy of the Plan.

6. Miscellaneous Provisions.

6.1. Employment by Subsidiary. References in the Agreement to employment by the Company shall also mean employment by a Subsidiary.

6.2. Successors. This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall, upon the death of the Participant, acquire any rights hereunder in accordance with this Agreement or the Program.

6.3. Notices. All notices, requests or other communications provided for in this Agreement shall be made, if to the Company, to PulteGroup, Inc., Attention: Executive Vice President, General Counsel, 3350 Peachtree Road, NE, Suite 150, Atlanta, Georgia 30326, and if to the Participant, to the last known address contained in the records of the Company. All notices, requests or other communications provided for in this Agreement shall be made in writing either (a) by personal delivery to the party entitled thereto, (b) by electronic mail or facsimile with confirmation of receipt, (c) by mailing in the United States mails to the last known address of the party entitled thereto or (d) by express courier service. The notice, request or other communication shall be deemed to be received upon personal delivery, upon confirmation of receipt of electronic mail or facsimile transmission, or upon receipt by the party entitled thereto if by United States mail or express courier service; provided, however, that if a notice, request or other communication is not received during regular business hours, it shall be deemed to be received on the next succeeding business day of the Company.

6.4. Governing Law. This Agreement, the Award and all determinations made and actions taken pursuant hereto and thereto, to the extent not otherwise governed by the laws of the United States, shall be governed by the laws of the State of Michigan and construed in accordance therewith without giving effect to conflicts of laws principles.

6.5. Section 409A. The Agreement is intended to be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and shall be interpreted and construed consistently with such intent; provided, however, that in no event shall the Company or any of its directors, officers, employees or advisors be responsible for any such additional tax, interest or related tax penalties that may be imposed under Section 409A of the Code.

6.6. Arbitration. The Holder acknowledges and agrees that any and all disputes related to compensation such as this Agreement, the Grant Acceptance Agreement or Award will be exclusively resolved through the Company's Alternative Dispute Resolution Policy located in the Employee Handbook.

6.7. Statute of Limitations. Any action, claim or lawsuit relating to this Agreement must be filed no more than six (6) months after the date of the employment action that is the subject of the action, claim or lawsuit. The Participant voluntarily waives any statute of limitations to the contrary.

6.8. Award Subject to Clawback. The Award and any Shares or Dividend Equivalents delivered pursuant to the Award are subject to forfeiture, recovery by the Company or other action pursuant to any clawback or recoupment policy which the Company may adopt from time to time, including without limitation the PulteGroup, Inc. Dodd-Frank Clawback Policy and the PulteGroup, Inc. Misconduct Clawback Policy, or as otherwise required by law or applicable listing standards.

PULTEGROUP, INC.
DIRECTORS, OFFICERS AND COVERED EMPLOYEES
INSIDER TRADING AND CONFIDENTIALITY POLICY

This Policy sets forth the procedures that directors, officers and certain other employees of PulteGroup, Inc. (“PulteGroup” or the “Company”) must follow in connection with any trading of PulteGroup equity or debt securities and stock options and any other types of securities the Company may issue, as well as derivative securities not issued by the Company such as exchange-traded put or call options or swaps relating to securities of the Company (collectively, “PulteGroup Securities”) in both the open market and in the 401(k) Plan. The Company will not trade in Company Securities in violation of applicable securities laws or stock exchange listing standards.

1. Persons Covered By This Policy

This Policy applies to all members of the Board of Directors of PulteGroup (“Directors”). This Policy also applies to (i) the Company’s Section 16 Officers (as hereinafter defined), and (ii) those direct reports to a Section 16 Officer designated by the General Counsel (collectively, “Covered Parties”).

2. Prohibition Against Trading on Material Nonpublic Information

During the course of your service at PulteGroup, you will undoubtedly become aware of material nonpublic information. It is difficult to describe exhaustively what constitutes “Material Information,” but you should assume that any information, positive or negative, that might be of significance to an investor, as part of the total mix of available information, in determining whether to purchase, sell, or hold PulteGroup Securities would be material. Examples of Material Information include:

- Significant internal financial information that departs in any way from what the market would expect
- Significant changes in sales, earnings, or dividends
- Significant non-ordinary course financing transactions
- Stock splits or other transactions relating to PulteGroup shares
- Significant mergers, tender offers or acquisitions of other companies, or major purchases or sales of assets
- Significant changes in management
- Significant sales or purchases by PulteGroup of its own securities
- Significant litigation
- Significant transactions with other companies, such as joint ventures or licensing agreements
- Significant cybersecurity incidents

Note that this list is merely illustrative and not exhaustive.

"Nonpublic" information is any information that has not yet been disclosed generally to and absorbed by the marketplace. Please see Section 5 below for further discussion regarding "Nonpublic" information. Information received about a company under circumstances that indicate that it is not yet in general circulation should be considered nonpublic. As a rule, you should be able to point to some fact to show that the information is generally available, such as issuance of a press release by PulteGroup or the announcement of the information in a national news publication such as the *Wall Street Journal*.

If you are aware of material nonpublic information regarding PulteGroup (including following your service as a Director or as a Covered Party with PulteGroup), you are prohibited from trading in PulteGroup Securities, unless such trade is made pursuant to a properly qualified, adopted and submitted Rule 10b5-1 trading plan. Rule 10b5-1 trading plans are discussed in Section 6 and Exhibit A of this Policy. You also are prohibited from giving "tips" on material nonpublic information - that is, directly or indirectly disclosing such information to any other person, including family members and relatives, so that they may trade in PulteGroup Securities. Furthermore, if you learn of material nonpublic information about another company, such as a competitor, supplier or joint venture partner, or you learn that PulteGroup is planning a major transaction with another company, you must not trade in the securities of the other company until such information has been made public for at least one full Trading Day.

The insider trading policy contained in the "Our Securities" section of the Company's Code of Ethical Business Conduct applies to all Directors and employees of PulteGroup as well as to family members who share their households. In addition, you and your family members who share your household should not, under any circumstances, trade options for or sell "short" PulteGroup shares, or engage in other speculative investments regarding PulteGroup Securities, such as sales "against the box" (a sale of securities which are owned at the time of sale but are not delivered promptly) and buying or selling puts and calls or other derivative instruments based on PulteGroup Securities. It is potentially a criminal offense for any director, officer or 10% shareholder to engage in short sales or sales against the box.

3. Consequences of Violating the Insider Trading Laws

The penalties for insider trading law violations are significant. Individuals who trade on inside information (or "tip" information to others who then trade) can be subject to:

- Civil liability to certain contemporaneous traders
- A civil penalty of up to three times the profit gained or loss avoided
- A criminal fine (no matter how small the profit) of up to $5 million (or $25 million for a company)
- A jail term of up to 20 years

In addition, persons who violate this Insider Trading and Confidentiality Policy will be subject to appropriate disciplinary action up to and including termination. This discipline may be imposed for breaches of this Policy even if such conduct has not been determined to be unlawful. The Company may also refer violations of law to appropriate authorities.

4. Permitted Trading Periods

After PulteGroup has released information to the press or the information has been reported, you must wait at least one full Trading Day before you trade in PulteGroup Securities or adjust your 401(k) elections with respect to the PulteGroup Stock Fund. A "Trading Day" means any day on which the New York Stock Exchange (NYSE) is open for trading. For example, if PulteGroup issues a press release containing Material Information at any time on a Thursday, and the NYSE is open for trading on Friday, you will not be permitted to trade in PulteGroup Securities until the market opens the following Monday. Our trading window will close at the end of the last Trading Day before the second Monday of the month that our fiscal quarter ends (i.e. March, June, September and December). For example, if the second Monday in June is June 12^{th}, then the trading window will close at the end of the day on Friday, June 9^{th}.

5. Reporting and Pre-Approval of Trades

In order to minimize the risk of an inadvertent violation of this Policy, it is the Company's Policy that before buying, gifting or selling any PulteGroup Securities or changing an investment election in the 401(k) Plan regarding the PulteGroup Stock Fund, even if it is within the active trading period, Covered Parties and Directors must clear the transaction with the General Counsel and the Chief Financial Officer, pursuant to the process set forth in this Policy. If the party proposing to trade is a Section 16 Officer other than the Chief Executive Officer, then the Chief Executive Officer shall be notified prior to requesting clearance to trade. If the Chief Executive Officer is proposing a trade, then the Chairman of the Board shall be notified prior to requesting clearance to trade. No trades may be made unless and until the requisite approvals have been obtained pursuant to this Policy. The principal basis on which any trade would not be cleared pursuant to this Policy is if the applicable approver is aware of Material Nonpublic Information not available to the party making the request for clearance. Therefore, if clearance of the transaction is denied, you must keep the fact of such denial confidential.

In order to request clearance, each Covered Party and Director shall complete and submit an Insider Trade Form to the General Counsel. On such form, the party shall indicate the nature of the proposed trade, the method of the proposed trade, the number of shares to be traded and the anticipated date of such trade within the applicable active trading period. Each form shall also include confirmation from the party requesting the trade that: (i) after completion of the trade such party will remain in compliance with any holding requirements, and (ii) the requesting party is not in possession of any Material Nonpublic Information.

The General Counsel will manage the process of obtaining the requisite approvals as set forth in this Policy and will consult with the Chief Financial Officer and the Controller as necessary to determine whether approval is appropriate. The Controller will communicate clearance back to the requesting party and maintain a record of such approvals. Clearance of a transaction by a Covered Party or Director is valid only for a period of five (5) business days. If the transaction order is not placed within that five (5) business day period, clearance for the transaction must be re-requested. The Covered Party or Director must report the completion of any approved trade promptly to the General Counsel and/or the Law Department. The General Counsel will also report any trades by Section 16 Officers and Directors to the Board on a quarterly basis. If the person becomes aware of material nonpublic information before the trade is executed, the clearance is void and the trade must not be completed.

6. Rule 10b5-1 Trading Plans

Rule 10b5-1 under the Securities Exchange Act of 1934 establishes a safe harbor for liability under Rule 10b-5 for trades including gifts, by parties that are made pursuant to a written plan that was adopted in good faith at a time when the party was not aware of material nonpublic information. Covered Parties and Directors may make trades pursuant to a Rule 10b5-1 plan provided that (i) such plan meets the requirements of Rule 10b5-1, as summarized in Exhibit A, (ii) such plan was adopted at a time when the Covered Party or Director would otherwise have been able to trade under this Policy and (iii) adoption of the plan was expressly authorized pursuant to Section 5 of this Policy. Note that if you are currently a Director or an executive officer of PulteGroup as listed in our most recent Form 10-K or as would be required to be listed in our upcoming Form 10-K (a “Section 16 Officer”), trades made pursuant to Rule 10b5-1 plans must still be reported to the General Counsel and/or the Law Department so that all necessary SEC filings may be made. Additionally, Directors and Covered Parties must report any modification or termination of a Rule 10b5-1 plan to the General Counsel and/or the Law Department on the date of such modification or termination. Once a Rule 10b5-1 plan is adopted, Directors and Covered Parties must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade.

7. “Blind” Trusts and Mutual Funds

The trading procedures set forth in this Policy do not apply to the purchase or sale of securities in a “blind” trust, mutual fund or similar arrangement, provided that you do not discuss investments with the trustee, money manager or other investment advisor who has discretion over the funds. If you invest through a “blind” trust, you may wish to consider asking such advisors to refrain from trading for your account in PulteGroup Securities. Taking this additional step may prevent misunderstanding and embarrassment in the future.

8. Hedging Transactions

Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow an employee to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow the director or employee to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the director or employee may no longer have the same objectives as the Company's other shareholders. Therefore, Directors and Section 16 Officers are prohibited from engaging in any such transactions.

9. Margin Accounts and Pledges

Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material nonpublic information or otherwise is not permitted to trade in Company securities, Directors and Section 16 Officers are prohibited from holding PulteGroup Securities in a margin account or pledging PulteGroup Securities as collateral for a loan.

10. Safeguarding Confidential Information

You should treat all sensitive, non-public information about PulteGroup (or any other company) as confidential and proprietary. You should not disclose such information to others (including family members, relatives, business associates or social acquaintances) who do not have a legitimate need for such information in connection with PulteGroup's business. You must treat all such information carefully and avoid inadvertent or indirect disclosure of it. Even within the Company, confidential information should be distributed to, or discussed with, others only on a need-to-know basis, and those people should be told that the information is confidential. Be careful that your conversations are not overheard on elevators or airplanes or in other public places. Do not leave confidential documents on conference tables, desks, or otherwise unguarded, and take whatever steps are reasonably necessary to keep confidential information from being disclosed. Avoid (or exercise great caution when) discarding documents containing confidential information outside of the office.

Only the Chief Executive Officer, Chief Financial Officer, the Vice President of Investor Relations and Corporate Communications, and the Treasurer and Assistant Treasurer (in the case of fixed income securities) are authorized to communicate with the financial press, investment analysts or others in the financial community regarding the Company. Any inquiries made by the financial press, investment analysts or others in the financial community regarding the Company should be immediately referred to the Chief Executive Officer, the Chief Financial Officer, or the Vice President of Investor Relations and Corporate Communications. These restrictions apply to all contacts/communications with the media, investment community or other such organizations, whether "on" or "off" the record, for "deep" background purposes, a "no comment" reply or a "disclaimer" of information. Consistent with the Company’s Disclosure Policy, only the Chief Executive Officer, the Chief Financial Officer or the Vice President of Investor Relations and Corporate Communications (or the Chairman of the Board with respect to Board members) may approve exceptions to the restrictions against contacts/communications with the media and investment community and any such exception applies only to the specific contact for which approval was sought.

Any communications with investment analysts or others in the financial community must be in accordance with this Policy and the SEC's Regulation FD, which generally prohibits selective disclosure by certain specified senior officials of PulteGroup of material, non-public information to market professionals, and to other investors under circumstances in which it is "reasonably foreseeable" that the person to whom the information is disclosed will trade the issuer's securities on the basis of the information.

The following outlines restrictions imposed on (1) "statutory insiders" by Section 16 of the Securities Exchange Act of 1934 (Exchange Act”), Section 306 of the Sarbanes-Oxley Act of 2002 and Regulation BTR promulgated by the Securities and Exchange Commission (the "SEC") and (2) "affiliates" by Rule 144 under the Securities Act of 1933 (“Securities Act”).

If you are not a Director or Section 16 Officer of PulteGroup (as listed in our Form 10-K), a beneficial owner of 10% or more of PulteGroup shares, or otherwise an “affiliate” for Rule 144 purposes, you do not need to comply with these requirements. Note, however, that certain requirements in this section continue to apply following the termination of your status as a Director or Section 16 Officer.

11. Statutory Trading Restrictions

Section 16 Short-Swing Profit Rules Reporting Obligations And "Short" Sale Prohibitions

a. Persons Covered

This Section 11 applies to Section 16 Officers and Directors of PulteGroup and beneficial owners of 10% or more of PulteGroup’s shares ("Statutory Insiders").

b. Restrictions

Section 16(b) provides that PulteGroup may recover any profit realized by any Statutory Insider from any non-exempt purchase and sale, or sale and purchase, of any PulteGroup shares or other equity security within any six-month period.

Any pair of non-exempt purchase and sale transactions occurring within six months will be matched (whether the purchase comes before or after the sale). In the calculation of the short-swing profits involved in such transactions, PulteGroup (or the court in the case of a shareholder action) will successively match the lowest purchase price with the highest sales price in order to recover the highest amount for the Company, rather than track specific stock certificates or proceeds. Losses on one transaction will not be permitted to offset profits on another. Matched transactions can include transactions in derivative securities, hedging transactions and transactions of other family members or of certain trusts or other entities in which you have an interest.

- If an option or other derivative security is granted pursuant to a plan or transaction that qualifies under SEC Rule 16b-3, the grant is not considered a purchase for purposes of Section 16(b). Similarly, an exercise of an option or other derivative security will generally be exempt from Section 16(b). Statutory Insiders can therefore exercise such securities and sell the shares acquired on the same day without concern that the sale will be matched to the grant or exercise. Please note, however, that the sale could be matched against any non-exempt purchase during the six-month period preceding or following the sale.

- For Section 16(b) purposes it is irrelevant whether a Statutory Insider possessed or relied on "inside" information in deciding to buy or sell. Section 16(b) imposes strict liability in an automatic, mechanical way, and no proof of intent or actual misuse of inside information is required.

- Section 16(b) will continue to apply for six months from the date of the last non-exempt transaction while serving as a Statutory Insider.

- Sales or purchases by a member of a Statutory Insider's immediate family living in the same household (or by certain trusts or other entities in which the Statutory Insider has an interest) may be matched against purchases or sales by the Statutory Insider. The term "immediate family" means child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and includes adoptive relationships.

- Section 16(b) does not prohibit a purchase and sale, or sale and purchase, within a six-month period, but it does allow PulteGroup to recover any profit made from such transactions. Thus you could buy shares for $90 per share and sell them a week later for $80 per share without any liability under Section 16 provided you have not bought shares for under $80 per share within 6 months before or after the sale.

- If PulteGroup does not bring an action to recover unlawful profits under Section 16(b), any shareholder can bring the action on behalf of PulteGroup at any time within two years after the profit was realized and receive attorney's fees out of any recovery. There are plaintiffs' attorneys who routinely bring lawsuits for such shareholders.

c. Reporting Beneficial Ownership

Filings with SEC. Section 16(a) of the Exchange Act requires Statutory Insiders to report their beneficial ownership of PulteGroup Securities to the SEC and to the person designated by PulteGroup to receive such statements.

- Form 3 is used to report the initial ownership at the time a person becomes a Statutory Insider. It must be filed within ten (10) days after election or appointment even if no securities are owned.

- Generally, Form 4 is used to report subsequent changes in beneficial ownership, including gifts. A Form 4 report must be filed within two business days of any change in beneficial ownership. A Form 4 must also report whether a transaction was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c).

- Form 5, which must be filed within 45 days after the end of PulteGroup's fiscal year, is used to report transactions not reported on Form 4 because the rules allow deferred reporting.

Stock Options, Performance Units, Etc. The initial Form 3 must include derivative securities such as stock options and performance units, as well as shares, including restricted shares (whether or not vested), actually owned and/or held by the reporting person. Subsequent Forms 4 and 5 must report changes in those derivative securities.

Timely Filing. As part of PulteGroup's compliance program, Forms 4 and 5 for executive officers and directors are prepared and filed by the Law Department. The Law Department will prepare appropriate Forms for any reportable transaction, and, time permitting, forward them to the Statutory Insider for review (for accuracy), signature and return for filing. The accuracy and filing of these reports are the individual responsibility of each Statutory Insider. The Law Department will handle appropriate filings and send copies of the Form as filed, and filing data, to the Statutory Insider. The Law Department will also prepare and arrange for signature and filing for all Forms 3 for new Statutory Insiders.

Signatures. Statutory Insiders are encouraged to sign a Power of Attorney authorizing specified Law Department personnel to execute Forms 3, 4 and 5 on their behalf so that delays in obtaining signatures will not delay any required filings.

Fines for Non-Compliance. The SEC has statutory authority to levy fines for failure to comply with the filing requirements of Section 16(a), and in some circumstances criminal penalties can apply.

Proxy Statement Disclosure. As further enforcement and incentive, SEC rules require PulteGroup to disclose in its annual proxy statements and annual reports on Form 10-K the names of Statutory Insiders who were late in reporting transactions or who failed to file required reports.

d. Prohibition Against "Short" Sales And Sales "Against The Box"

With limited exceptions, Section 16(c) of the Exchange Act makes it a criminal offense for any Statutory Insider to sell any equity security of PulteGroup, directly or indirectly, if the seller (or his or her principal) does not own the security ("short sales") or, although owning the security, does not deliver it against the sale within 20 days, or does not deposit it in the mail or other usual channels of transportation for delivery against the sale within five days (sales "against the box").

Rule 144

a. Persons Covered

SEC Rule 144 applies to Section 16 Officers and Directors of PulteGroup, as well as other "affiliates" of PulteGroup.

b. Restrictions

Sales of an issuer's securities by "affiliates" will generally be exempt from the registration requirements of the Securities Act only if made pursuant to the requirements of Rule 144. An "affiliate" of an issuer is a person that directly or indirectly controls, is controlled by, or is under common control with, the issuer. For these purposes, you should assume that directors and executive officers of PulteGroup are affiliates of PulteGroup.

In order for an affiliate to sell PulteGroup Securities publicly without complying with the registration requirements of the Securities Act, he or she must meet the requirements of Rule 144. Rule 144 has five basic requirements.

- PulteGroup must be current in its SEC reporting obligations (i.e., Forms 10-K and 10-Q) at the time of sale.

- The amount of the securities that an affiliate can sell (together with sales by a spouse and relatives who live with such affiliate and also trusts and other entities in which such executive officer or director has an interest) in a three-month period is limited to the greater of (1) one percent of the outstanding shares of PulteGroup, and (2) the average weekly trading volume of PulteGroup Securities in the four calendar weeks preceding the receipt of the order to execute the transaction .

- An affiliate must file a Form 144 with the SEC at the time the order is placed with the broker unless the amount of securities to be sold during the three months does not exceed 5,000 shares or other units and the aggregate sales price does not exceed $50,000.

- An affiliate must sell the securities in unsolicited "brokers transactions" or directly to a "market maker" without making any special payments of any kind other than ordinary brokers' fees. An affiliate should be sure to advise his or her broker that the sale will be a Rule 144 sale before the order is placed.

- A six-month holding period is required before "restricted securities" can be sold. Restricted securities are securities that have been acquired directly or indirectly from the issuer or an affiliate of the issuer in a private transaction. Securities obtained under PulteGroup benefit plans or purchased in the open market will not be restricted and therefore need not meet the holding period requirement (but must meet the other requirements).

c. Responsibility

Compliance with these requirements is the individual's obligation, but affiliates are encouraged to discuss any questions with the General Counsel who can assist you with preparing and filing these forms.

Pension Fund Blackout Period Trading Prohibitions

a. Persons Covered

These restrictions apply to Section 16 Officers and Directors of PulteGroup ("BTR Statutory Insiders").

b. Prohibitions

It is unlawful for a BTR Statutory Insider to directly or indirectly purchase, sell or otherwise acquire or transfer any interest in PulteGroup common shares, or any other PulteGroup equity security, during a "blackout period" with respect to that security if the security was acquired by the BTR Statutory Insider in connection with his or her service or employment as an executive officer or director of PulteGroup.

A "blackout period" is generally a period of more than three consecutive business days during which the ability to purchase, sell or otherwise acquire or transfer an interest in PulteGroup common shares, or any other equity security of PulteGroup, held in the 401(k) Plan is suspended with respect to 50% or more of the participants or beneficiaries.

Any sale or other transfer of PulteGroup equity securities during a blackout period is presumed to involve PulteGroup equity securities acquired in connection with service or employment as a director or executive officer, unless the BTR Statutory Insider establishes by specific identification of securities (e.g., source and consistent identification for tax reporting purposes) that the transaction did not involve an equity security acquired in connection with service or employment as a director or executive officer (e.g., the PulteGroup equity securities were purchased in the open market for full fair market value and not pursuant to any employee or director plan).

The prohibition covers both

- an acquisition of PulteGroup equity securities by a BTR Statutory Insider during a blackout period if the acquisition is in connection with the BTR Statutory Insider's service or employment as an executive officer or director, and

- a disposition by a BTR Statutory Insider during a blackout period of PulteGroup equity securities acquired in connection with the BTR Statutory Insider's service or employment as an executive officer or director.

Securities acquired by a BTR Statutory Insider "in connection with service or employment" as an executive officer or director include those acquired directly or indirectly

- at a time when he or she was a BTR Statutory Insider

  - under a compensatory plan, contract, authorization or arrangement, such as an option, warrants, rights, pension, retirement, deferred compensation, bonus, incentive or profit-sharing plan (whether or not set forth in any formal plan document),

  - as a result of any transaction or business relationship to which PulteGroup or any of its subsidiaries was a party and in which the BTR Statutory Insider or his or her immediate family member had a direct or indirect material interest (including, potentially, through ownership of an equity interest in another entity), to the extent that he or she has a pecuniary interest in the equity securities, or

  - as "director's qualifying shares" or other securities that he or she must hold to satisfy minimum ownership requirements or guidelines for directors or executive officers,

- or prior to becoming, or while, a BTR Statutory Insider where the equity security was

  - acquired as a direct or indirect inducement to service or employment as a director or executive officer, or

  - received as a result of a business combination in exchange for an equity security of an entity involved in the business combination that he or she had acquired in connection with service or employment as a director or executive officer of such entity.

c. Remedies

The remedy for trading in violation of the prohibition is similar to the remedy provided by Section 16(b) of the Exchange Act. Specifically, either PulteGroup, or under certain circumstances a security holder acting on its behalf, may institute an action to recover any profit realized by the BTR Statutory Insider as a result of trading in violation of the prohibition. Such trading is treated as a violation of the Exchange Act, which subjects the offending party to civil and criminal penalties.

d. Notice

PulteGroup is generally required to give written notice of an impending blackout period, including its start and end dates (by specific dates or weeks), to BTR Statutory Insiders no later than five business days after it receives notice of the blackout period from the plan administrator (which PulteGroup is to receive at least thirty (30) days prior to the start of the blackout period).

The requirement to give advance notice will not, however, apply in any case in which the inability to provide advance notice of the blackout period is due to events that were unforeseeable or circumstances that were beyond the reasonable control of PulteGroup and PulteGroup reasonably so determines in writing. If there is a subsequent change in the beginning or ending dates of the blackout period, PulteGroup is required to provide directors and executive officers with an updated notice explaining the reasons for the change and identifying all material changes in the information contained in the prior notice. The updated notice must be provided as soon as reasonably practicable, unless advance notice of the termination of a blackout period is impracticable.

e. Pre-Clearance

BTR Statutory Insiders must contact the General Counsel at least one (1) day prior to engaging in any transaction involving PulteGroup equity securities during a blackout period. The Law Department will review the proposed transaction to determine whether it is subject to the pension fund blackout period trading prohibitions. BTR Statutory Insiders must not engage in the transaction without clearance from the Law Department. Any such clearance will relate solely to the restraints imposed by this Policy and will not constitute advice regarding the investment aspects of any transaction.

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All questions relating to this Policy should be directed to the General Counsel.

THESE ARE VERY SERIOUS MATTERS. INSIDER TRADING IS ILLEGAL AND CAN RESULT IN JAIL SENTENCES AS WELL AS CIVIL PENALTIES. IF YOU HAVE ANY QUESTION OR DOUBT ABOUT THE APPLICABILITY OR INTERPRETATION OF THIS POLICY OR THE PROPRIETY OF ANY DESIRED ACTION, PLEASE SEEK CLARIFICATION FROM OUR GENERAL COUNSEL. DO NOT TRY TO RESOLVE UNCERTAINTIES ON YOUR OWN.

ACKNOWLEDGEMENT

The undersigned acknowledges that he/she has read this Insider Trading and Confidentiality Policy and agrees to comply with the restrictions and procedures contained herein.

Signature

Print Name

Date

<u>Exhibit A</u>
<u>Guidelines for Rule 10b5-1 Trading Plans</u>

Capitalized terms not defined herein have the meanings ascribed to them in the Company's Insider Trading Policy

To be effective, a Rule 10b5-1 trading plan must:

1. Include representations certifying that (a) you are not aware of material nonpublic information at the time of adoption and (b) you are entering into the plan in good faith, and not as part of a plan or scheme to shield trades that would otherwise be considered violations of the insider trading laws;[1]

2. Specify the beginning and end dates for the Rule 10b5-1 trading plan;

3. Specify either (a) the amount and price of the Company securities to be purchased or sold and the dates for such purchases or sales or (b) a formula that determines the amount and price of the Company securities to be purchased or sold and the dates for such purchases or sales;

4. Be established only during an open Trading Window and when you are not otherwise subject to a blackout period;

5. Be put in place only at a broker acceptable to the Company's General Counsel;

6. Be reviewed by the Company's General Counsel before the Rule 10b5-1 trading plan is put in place;

7. Be subsequently modified only during an open Trading Window and with approval from the Company's General Counsel;

8. If modified, meet all requirements of a newly adopted plan, as if adopted on the date of modification;

9. If terminated before the end of its term and a new plan is put into place, be implemented only during a Trading Window unless an exception is otherwise approved in advance by the Company's General Counsel;

10. Comply with the following "cooling-off" periods:

    a. For the Company's directors and Section 16 officers, provide that no trade under a Rule 10b5-1 trading plan may occur until the later of (i) the 91st day after the adoption of the plan or (ii) the third business day after the filing date of the Company's Form 10-Q (or Form 10-K for any plan executed during the fourth fiscal quarter) for the fiscal quarter in which the plan was adopted, up to a maximum of 120 days after adoption of the plan; or

    b. For other insiders, provide that no trade may occur until the 31st day after the adoption of the Rule 10b5-1 trading plan;

11. Be the sole outstanding Rule 10b5-1 trading plan for such insider, unless an exception is approved in advance by the Company's General Counsel, after evaluating whether any such additional plan would be permitted by Rule 10b5-1; and

12. Be, if such Rule 10b5-1 trading plan is a single-trade plan, the sole single-trade plan within any consecutive 12-month period.

Additionally, the Company requires that you act in good faith with respect to the Rule 10b5-1 plan for the entire duration of the plan.

EXHIBIT 21

SUBSIDIARIES OF PULTEGROUP, INC.
As of December 31, 2024

Company Name	**Jurisdiction of Formation**
Centex LLC	Nevada
Centex Construction Of New Mexico, LLC	Delaware
Centex Development Company, L.P.	Delaware
Centex Homes	Nevada
Centex Homes, LLC	Delaware
Centex International II, LLC	Nevada
Centex Real Estate Company, LLC *(f/k/a Centex Real Estate Corporation)*	Nevada
Contractors Insurance Company of North America, Inc., a Risk Retention Group	Hawaii
Dean Realty Company	Michigan
Del Webb California Corp.	Arizona
Del Webb Communities, Inc.	Arizona
Del Webb Communities of Illinois, Inc.	Arizona
Del Webb Corporation	Delaware
Del Webb Home Construction, Inc.	Arizona
Del Webb Limited Holding Co.	Arizona
Del Webb Texas Limited Partnership	Arizona
Del Webb's Coventry Homes, Inc.	Arizona
DiVosta Building, LLC	Michigan
DiVosta Homes, L.P.	Delaware
DiVosta Homes Holdings, LLC	Delaware
DW Homebuilding Co.	Arizona
Innovative Construction Group, LLC	Florida
Nomas LLC	Nevada
North American Builders Indemnity Company	Hawaii
PH 55 LLC	Michigan
PH1 Corporation	Michigan
PHNE Business Trust	Massachusetts
PN II, Inc.	Nevada
Potomac Yard Development LLC	Delaware
Preserve II, Inc.	Michigan
Pulte Arizona Services, Inc.	Michigan
Pulte Development Corporation	Michigan
Pulte Development New Mexico, Inc.	Michigan
Pulte Diversified Company, LLC	Michigan
Pulte Home Company, LLC	Michigan
Pulte Home Corporation of The Delaware Valley	Michigan
Pulte Homes of California, Inc.	Delaware
Pulte Homes of Indiana, LLC	Indiana
Pulte Homes of Michigan LLC	Michigan
Pulte Homes of Minnesota LLC	Minnesota
Pulte Homes of New England LLC	Michigan
Pulte Homes of New Mexico, Inc.	Michigan
Pulte Homes of New York LLC	Delaware
Pulte Homes of NJ, Limited Partnership	Michigan
Pulte Homes of Ohio LLC	Michigan
Pulte Homes of PA, Limited Partnership	Michigan
Pulte Homes of Texas, L.P.	Texas
Pulte Homes of Washington, Inc.	Michigan
Pulte Homes Tennessee Limited Partnership	Nevada

Pulte Interiors, LLC	Michigan
Pulte Mortgage LLC	Delaware
Pulte Nevada I LLC	Delaware
Pulte Payroll Corporation	Michigan
Pulte Purchasing Corporation	Michigan
Pulte Realty Holding Company, LLC	Michigan
Pulte Realty Limited Partnership	Michigan
Pulte Texas Holdings, LLC	Michigan
Pulte/BP Murrieta Hills, LLC	California
Pulte Homes Tennessee, Inc.	Michigan
RN Acquisition 2 Corp.	Nevada

Certain subsidiaries have been omitted from this list. Such omitted subsidiaries, when considered in the aggregate as a single subsidiary, do not constitute a significant subsidiary as defined in Rule 1-02(w) of Regulation S-X.

EXHIBIT 22

LIST OF GUARANTOR SUBSIDIARIES
As of December 31, 2024

The following subsidiaries of PulteGroup, Inc. (the “Company”) were, as of December 31, 2024, guarantors of the Company’s 5.500% unsecured senior notes due 2026, 5.000% unsecured senior notes due 2027, 7.875% unsecured senior notes due 2032, 6.375% unsecured senior notes due 2033, and 6.000% unsecured senior notes due 2035.

Company Name	Jurisdiction of Formation
Anthem Arizona LLC	Arizona
Centex Construction of New Mexico, LLC	Delaware
Centex Development Company, L.P.	Delaware
Centex Homes	Nevada
Centex Homes of California, LLC	Delaware
Centex Homes, LLC	Delaware
Centex International II, LLC	Nevada
Centex LLC	Nevada
Centex Real Estate Construction Company	Nevada
Centex Real Estate Company, LLC *(f/k/a Centex Real Estate Corporation)*	Nevada
Del Webb California Corp.	Arizona
Del Webb Communities, Inc.	Arizona
Del Webb Communities of Illinois, Inc.	Arizona
Del Webb Corporation	Delaware
Del Webb Home Construction, Inc.	Arizona
Del Webb Limited Holding Co.	Arizona
Del Webb Southwest Co.	Arizona
Del Webb Texas Limited Partnership	Arizona
Del Webb’s Coventry Homes Construction Co.	Arizona
Del Webb’s Coventry Homes, Inc.	Arizona
DiVosta Building, LLC	Michigan
DiVosta Homes Holdings, LLC	Delaware
DiVosta Homes, L.P.	Delaware
DW Homebuilding Co.	Arizona
Nomas LLC	Nevada
PH1 Corporation	Michigan
PH3 Corporation	Michigan
PH4 Corporation	Michigan
PN II, Inc.	Nevada
Potomac Yard Development LLC	Delaware
Preserve II, Inc.	Michigan
Pulte Arizona Services, Inc.	Michigan
Pulte Building Systems Holding Company, LLC	Nevada
Pulte Communities NJ, Limited Partnership	Michigan
Pulte Development Corporation	Michigan
Pulte Development New Mexico, Inc.	Michigan
Pulte Home Company, LLC *(f/k/a Pulte Home Corporation)*	Michigan
Pulte Home Corporation of the Delaware Valley	Michigan
Pulte Homes of Greater Kansas City, Inc.	Michigan
Pulte Homes of Indiana, LLC	Indiana
Pulte Homes of Michigan LLC	Michigan
Pulte Homes of Minnesota LLC	Minnesota
Pulte Homes of New England LLC	Michigan
Pulte Homes of New Mexico, Inc.	Michigan
Pulte Homes of New York LLC	Delaware

Pulte Homes of NJ, Limited Partnership	Michigan
Pulte Homes of Ohio LLC	Michigan
Pulte Homes of PA, Limited Partnership	Michigan
Pulte Homes of St. Louis, LLC	Nevada
Pulte Homes of Texas, L.P.	Texas
Pulte Homes Tennessee, Inc.	Michigan
Pulte Homes Tennessee Limited Partnership	Nevada
Pulte Nevada I LLC	Delaware
Pulte Payroll Corporation	Michigan
Pulte Realty Holding Company, LLC *(f/k/a Pulte Realty Holdings, Inc.)*	Michigan
Pulte Realty Limited Partnership	Michigan
Pulte Texas Holdings LLC	Michigan
Pulte/BP Murrieta Hills, LLC	California
RN Acquisition 2 Corp.	Nevada

EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 No. 333-150961) pertaining to the PulteGroup, Inc. 401(k) Plan, and
(2) Registration Statement (Form S-8 No. 333-264666) pertaining to the PulteGroup, Inc. 2022 Stock Incentive Plan

of our reports dated February 6, 2025, with respect to the consolidated financial statements of PulteGroup, Inc., and the effectiveness of internal control over financial reporting of PulteGroup, Inc., included in this Annual Report (Form 10-K) of PulteGroup, Inc. for the year ended December 31, 2024.

/s/ Ernst & Young LLP

Atlanta, Georgia
February 6, 2025

EXHIBIT 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Ryan Marshall, Robert O'Shaughnessy, Todd N. Sheldon, and Brien O'Meara, signing singly, his true and lawful attorney-in-fact to:

1. Execute for and on behalf of the undersigned, in the undersigned's capacity as a director of PulteGroup, Inc. (the "Company"), the Annual Report on Form 10-K for the fiscal year ending December 31, 2024 ("Annual Report"), in accordance with the Securities Exchange Act of 1934, as amended, and the rules thereunder; and,

2. Do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Annual Report, complete and execute any amendment or amendments thereto, and timely file such documents with the Unites States Securities and Exchange Commission and any stock exchange, stock market or similar authority; and,

3. Take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, and in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with any rule of the Securities Exchange Act of 1934, as amended.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to sign the Annual Report with respect to the undersigned's role as a director of the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 14th day of November 2024.

/s/ Kristen Actis-Grande	/s/ André J. Hawaux
Kristen Actis-Grande	André J. Hawaux
/s/ Brian P. Anderson	/s/ J. Phillip Holloman
Brian P. Anderson	J. Phillip Holloman
/s/ Bryce Blair	/s/ John R. Peshkin
Bryce Blair	John R. Peshkin
/s/ Thomas J. Folliard	/s/ Scott F. Powers
Thomas J. Folliard	Scott F. Powers
/s/ Cheryl W. Grisé	/s/ Lila Snyder
Cheryl W. Grisé	Lila Snyder

EXHIBIT 31(a)

CHIEF EXECUTIVE OFFICER'S CERTIFICATION

I, Ryan R. Marshall, certify that:

1. I have reviewed this annual report on Form 10-K of PulteGroup, 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(s) 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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(s) 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 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: February 6, 2025

/s/ Ryan R. Marshall

Ryan R. Marshall
President and Chief Executive Officer

EXHIBIT 31(b)

CHIEF FINANCIAL OFFICER'S CERTIFICATION

I, Robert T. O'Shaughnessy, certify that:

1. I have reviewed this annual report on Form 10-K of PulteGroup, 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(s) 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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(s) 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 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: February 6, 2025

/s/ Robert T. O'Shaughnessy

Robert T. O'Shaughnessy
Executive Vice President and
Chief Financial Officer

EXHIBIT 32

Certification
Pursuant to 18 United States Code § 1350 and
Rule 13a-14(b) of the Securities Exchange Act of 1934

In connection with the Annual Report of PulteGroup, Inc. (the "Company") on Form 10-K for the period ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certifies that to his knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 6, 2025

/s/ Ryan R. Marshall
Ryan R. Marshall
President and Chief Executive Officer

/s/ Robert T. O'Shaughnessy
Robert T. O'Shaughnessy
Executive Vice President and
Chief Financial Officer