# LGI Homes, Inc.

**LGIH**

Nasdaq; other; SIC 1531, Operative Builders; CIK 0001580670

# None

**No letter**

6 of 14 inputs computable; 7 are required, with a score in every sleeve

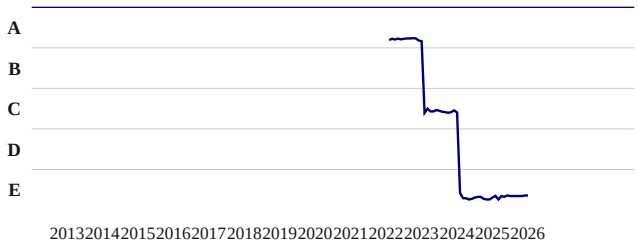
| Scoreboard | |
|---|---|
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $3.9B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | thin data<br>not computable: short runway, distress |
| **Inputs computable** | 6 of 14 |
| **Graded from** | filings received through Feb 20, 2026<br>249 days before the rescan; latest periodic filing 10-Q received Aug 4, 2026 |
| **Last close** | $42.15<br>2026-10-26; market equity $979.9M; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Feb 20, 2026*

We are engaged in the design, construction and sale of new homes in markets in Texas, Arizona, Florida, Georgia, New Mexico, Colorado, North Carolina, South Carolina, Washington, Tennessee, Minnesota, Oklahoma, Alabama, California, Oregon, Nevada, West Virginia, Virginia, Pennsylvania, Maryland and Utah. Our management team has been in the residential land development business since the mid-1990s. Since commencing home building operations in 2003, we have constructed and closed over 80,000 homes. LGI Homes, Inc. is a Delaware corporation incorporated on July 9, 2013.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 77.6** | | | | | | |
| Gross profitability | 9.0% | 27.0% | | 81.8 | 287 | 2025-12-31 |
| Return on invested capital | not computable | 10.0% | | | | |

*latest aligned inputs end 2024-12-31; latest annual assets end 2025-12-31*

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | 5.5% | (5.8%) | 92.6 | 503 | 2025-12-31 |
| Gross margin stability, five years | 2.6 pts | 2.2 pts | 58.3 | 205 | 2025-12-31 |
| **Solvency** | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | not computable | 2.05 | | | |
| *one or more required annual facts are missing* | | | | | |
| Net debt to EBITDA | not computable | 2.52x | | | |
| *latest aligned inputs end 2024-12-31; latest annual assets end 2025-12-31* | | | | | |
| Interest coverage | not computable | 2.45x | | | |
| *interest expense must exceed $100,000* | | | | | |
| Current ratio | not computable | 1.33x | | | |
| *one or more required annual facts are missing* | | | | | |
| **Growth and financing, sleeve percentile 53.7** | | | | | |
| Revenue growth, three-year compound | (9.5%) | 5.1% | 88.7 | 400 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 8.8% | | | |
| *four consecutive annual FCF observations are required; found 2* | | | | | |
| Reinvestment rate | not computable | 11.6% | | | |
| *one or more required annual facts are missing* | | | | | |
| Asset growth, three years | 7.9% | 4.2% | 33.0 | 437 | 2025-12-31 |
| Net share issuance, one year | (1.1%) | (0.5%) | 39.2 | 353 | 2026-02-12 |

## Warnings

*1 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Thin data | 6 of 14 grade factors are computable; minimum is 7 |

## What the price implies

*at the 2026-10-26 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 8.2% | 2.0% | 55 |
| Distance from 52-week high | (36.0%) | (26.3%) | 37 |
| EBIT to enterprise value | 3.1% | 4.3% | 31 |
| Free cash flow yield | (14.4%) | 4.1% | 11 |
| Book value to price | 2.18 | 0.34 | 98 |
| Sales to price | 1.74 | 0.71 | 77 |
| Composite equity issuance, five years | (7.2%) | (8.9%) | 55 |
| Relative strength against the sector, log excess return | (0.07) | (0.13) | 55 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | fail |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | fail |

| Cash, filings, liquidity | |
|---|---|
| Cash and equivalents | n/a |
| Operating cash flow, four quarters | n/a |
| Months of runway | not finite |
| Days since last periodic filing | 84 (10-Q received Aug 4, 2026) |
| Median daily dollar volume, 63 sessions | $15.6M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | revenue | us-gaap:Revenues | $1.7B | 2025-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $1.4B | 2025-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 3 | assets | us-gaap:Assets | $3.9B | 2025-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | $212.1M | 2024-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $258.9M | 2024-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | $62.8M | 2024-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 7 | total debt | us-gaap:LongTermDebt | $1.5B | 2024-12-31 | 2025-02-26 | 10-K | 25-000016 |
| 8 | book equity | us-gaap:StockholdersEquityIncludingPortionAttributableT... | $2.0B | 2024-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $53.2M | 2024-12-31 | 2025-02-26 | 10-K | 25-000016 |
| 10 | total debt | us-gaap:LongTermDebt | $1.2B | 2023-12-31 | 2025-02-26 | 10-K | 25-000016 |
| 11 | book equity | us-gaap:StockholdersEquityIncludingPortionAttributableT... | $1.9B | 2023-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 12 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $49.0M | 2023-12-31 | 2025-02-26 | 10-K | 25-000016 |
| 13 | net income | us-gaap:NetIncomeLoss | $72.6M | 2025-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 14 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$140.0M | 2025-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 15 | assets | us-gaap:Assets | $3.8B | 2024-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 16 | revenue | us-gaap:Revenues | $2.2B | 2024-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 17 | cost of revenue | us-gaap:CostOfRevenue | $1.7B | 2024-12-31 | 2025-02-26 | 10-K | 25-000016 |
| 18 | revenue | us-gaap:Revenues | $2.4B | 2023-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 19 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $1.8B | 2023-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 20 | revenue | us-gaap:Revenues | $2.3B | 2022-12-31 | 2025-02-26 | 10-K | 25-000016 |
| 21 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $1.7B | 2022-12-31 | 2025-02-26 | 10-K | 25-000016 |
| 22 | revenue | us-gaap:Revenues | $3.1B | 2021-12-31 | 2024-02-20 | 10-K | 24-000012 |
| 23 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $2.2B | 2021-12-31 | 2024-02-20 | 10-K | 24-000012 |
| 24 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $3.1M | 2024-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 25 | operating income | us-gaap:OperatingIncomeLoss | $79.8M | 2025-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 26 | interest expense | us-gaap:InterestExpense | $0 | 2025-12-31 | 2026-02-20 | 10-K | 26-000019 |
| 27 | assets | us-gaap:Assets | $3.4B | 2023-12-31 | 2025-02-26 | 10-K | 25-000016 |
| 28 | assets | us-gaap:Assets | $3.1B | 2022-12-31 | 2024-02-20 | 10-K | 24-000012 |
| 29 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 23,133,086 | 2026-02-12 | 2026-02-20 | 10-K | 26-000019 |
| 30 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 23,397,074 | 2025-02-21 | 2025-02-26 | 10-K | 25-000016 |

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