Forestar Group Inc.
Form 10-Q
November 09, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2016
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: 001-33662

FORESTAR GROUP INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	26-1336998
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

6300 Bee Cave Road, Building Two, Suite 500, Austin, Texas 78746
(Address of Principal Executive Offices, Including Zip Code)
(512) 433-5200
(Registrant's Telephone Number, Including Area Code)

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. x Yes ¨ No
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). x Yes ¨ No
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ¨	Accelerated filer x
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ¨ Yes x No
Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Title of Each Class	Number of Shares Outstanding as of November 3, 2016
Common Stock, par value $1.00 per share	33,722,230

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PART I—FINANCIAL INFORMATION
Item 1. Financial Statements
FORESTAR GROUP INC.
Consolidated Balance Sheets
(Unaudited)

	Third Quarter-End 2016	Year-End 2015
	(In thousands, except share data)	
ASSETS		
Cash and cash equivalents	$122,130	$96,442
Real estate, net	387,074	586,715
Assets of discontinued operations	124	104,967
Assets held for sale	14,394	—
Investment in unconsolidated ventures	79,564	82,453
Timber	6,629	7,683
Receivables, net	1,300	19,025
Income taxes receivable	23,068	12,056
Prepaid expenses	1,606	3,116
Property and equipment, net	9,686	10,732
Goodwill and other intangible assets	43,455	43,455
Other assets	3,047	5,602
TOTAL ASSETS	$692,077	$972,246
LIABILITIES AND EQUITY		
Accounts payable	$6,535	$11,617
Accrued employee compensation and benefits	4,360	5,547
Accrued property taxes	4,197	4,529
Accrued interest	569	3,267
Deferred tax liability, net	1,021	1,037
Earnest money deposits	11,370	10,214
Other accrued expenses	10,488	14,556
Liabilities of discontinued operations	3,637	11,192
Other liabilities	20,372	24,657
Debt, net	112,348	381,515
TOTAL LIABILITIES	174,897	468,131
COMMITMENTS AND CONTINGENCIES		
EQUITY		
Forestar Group Inc. shareholders' equity:		
Common stock, par value $1.00 per share, 200,000,000 authorized shares, 36,946,603 issued at third quarter-end 2016 and year-end 2015	36,947	36,947
Additional paid-in capital	560,248	561,850
Accumulated deficit	(31,143)	(46,046)
Treasury stock, at cost, 3,224,373 shares at third quarter-end 2016 and 3,203,768 shares at year-end 2015	(50,339)	(51,151)
Total Forestar Group Inc. shareholders' equity	515,713	501,600
Noncontrolling interests	1,467	2,515
TOTAL EQUITY	517,180	504,115
TOTAL LIABILITIES AND EQUITY	$692,077	$972,246

Please read the notes to consolidated financial statements.

FORESTAR GROUP INC.
Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(Unaudited)

	Third Quarter		First Nine Months	
	2016	2015	2016	2015
	(In thousands, except per share amounts)			
REVENUES				
Real estate sales and other	$45,285	$18,369	$114,711	$68,630
Commercial and income producing properties	12	9,588	13,065	31,566
Real estate	45,297	27,957	127,776	100,196
Mineral resources	1,423	2,502	3,842	7,616
Other	487	1,726	1,199	5,372
	47,207	32,185	132,817	113,184
COSTS AND EXPENSES				
Cost of real estate sales and other	(24,884)	(9,588)	(105,023)	(33,840)
Cost of commercial and income producing properties	(4,375)	(6,780)	(15,326)	(22,020)
Cost of mineral resources	(182)	(2,119)	(572)	(2,774)
Cost of other	(363)	(819)	(867)	(2,599)
Other operating expenses	(6,471)	(12,319)	(26,879)	(37,013)
General and administrative	(5,177)	(9,467)	(16,508)	(22,510)
	(41,452)	(41,092)	(165,175)	(120,756)
GAIN ON SALE OF ASSETS	501	425	121,732	1,585
OPERATING INCOME (LOSS)	6,256	(8,482)	89,374	(5,987)
Equity in earnings of unconsolidated ventures	3,637	2,909	3,872	11,538
Interest expense	(3,369)	(8,315)	(17,926)	(25,851)
Loss on extinguishment of debt, net	—	—	(35,864)	—
Other non-operating income	1,249	62	1,620	1,762
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE TAXES	7,773	(13,826)	41,076	(18,538)
Income tax benefit (expense)	9,666	(43,568)	(7,415)	(41,699)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	17,439	(57,394)	33,661	(60,237)
LOSS FROM DISCONTINUED OPERATIONS, NET OF TAXES	(7,164)	(106,937)	(17,428)	(146,649)
CONSOLIDATED NET INCOME (LOSS)	10,275	(164,331)	16,233	(206,886)
Less: Net (income) loss attributable to noncontrolling interests	(610)	115	(1,330)	5
NET INCOME (LOSS) ATTRIBUTABLE TO FORESTAR GROUP INC.	$9,665	$(164,216)	$14,903	$(206,881)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
Basic	34,099	34,299	34,234	34,248
Diluted	42,260	34,299	42,334	34,248
NET INCOME (LOSS) PER BASIC SHARE				
Continuing operations	$0.40	$(1.67)	$0.77	$(1.76)
Discontinued operations	(0.17)	(3.12)	(0.42)	(4.28)
NET INCOME (LOSS) PER BASIC SHARE	$0.23	$(4.79)	$0.35	$(6.04)
NET INCOME (LOSS) PER DILUTED SHARE				
Continuing operations	0.40	(1.67)	0.76	(1.76)
Discontinued operations	(0.17)	(3.12)	(0.41)	(4.28)
NET INCOME (LOSS) PER DILUTED SHARE	0.23	(4.79)	0.35	(6.04)
TOTAL COMPREHENSIVE INCOME (LOSS)	$9,665	$(164,216)	$14,903	$(206,881)

Please read the notes to consolidated financial statements.

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FORESTAR GROUP INC.
Consolidated Statements of Cash Flows
(Unaudited)

	First Nine Months	
	2016	2015
	(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net income (loss)	$16,233	$(206,886)
Adjustments:		
Depreciation, depletion and amortization	9,885	36,780
Change in deferred income taxes	(16)	39,106
Equity in earnings of unconsolidated ventures	(3,872)	(11,538)
Distributions of earnings of unconsolidated ventures	4,793	7,343
Share-based compensation	2,665	5,531
Real estate cost of sales	56,817	33,575
Dry hole and unproved leasehold impairment charges	—	46,722
Real estate development and acquisition expenditures, net	(56,552)	(81,055)
Reimbursements from utility and improvement districts	13,698	8,285
Asset impairments	57,065	91,146
Loss on debt extinguishment, net	35,864	—
Gain on sale of assets	(108,114)	(265)
Other	3,639	2,390
Changes in:		
Notes and accounts receivable	20,734	9,395
Prepaid expenses and other	1,536	3,106
Accounts payable and other accrued liabilities	(13,556)	(2,300)
Income taxes	(11,012)	3,625
Net cash provided by (used for) operating activities	29,807	(15,040)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property, equipment, software, reforestation and other	(5,902)	(10,882)
Oil and gas properties and equipment	(579)	(47,043)
Investment in unconsolidated ventures	(5,615)	(23,908)
Proceeds from sales of assets	319,351	13,571
Return of investment in unconsolidated ventures	3,948	7,783
Net cash provided by (used for) investing activities	311,203	(60,479)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments of debt	(311,724)	(7,527)
Additions to debt	2,749	7,105
Distributions to noncontrolling interests, net	(2,378)	(703)
Repurchases of common stock	(3,537)	—
Payroll taxes on issuance of stock-based awards	(221)	(722)
Other	(211)	(121)
Net cash used for financing activities	(315,322)	(1,968)
Net increase (decrease) in cash and cash equivalents	25,688	(77,487)
Cash and cash equivalents at beginning of period	96,442	170,127
Cash and cash equivalents at end of period	$122,130	$92,640

Please read the notes to consolidated financial statements.

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FORESTAR GROUP INC.
Notes to Consolidated Financial Statements
(Unaudited)
Note 1—Basis of Presentation
Our consolidated financial statements include the accounts of Forestar Group Inc., all subsidiaries, ventures and other entities in which we have a controlling interest. We account for our investment in other entities in which we have significant influence over operations and financial policies using the equity method. We eliminate all material intercompany accounts and transactions. Noncontrolling interests in consolidated pass-through entities are recognized before income taxes.
We prepare our unaudited interim financial statements in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") and Securities and Exchange Commission requirements for interim financial statements. As a result, they do not include all the information and disclosures required for complete financial statements. However, in our opinion, all adjustments considered necessary for a fair presentation have been included. Such adjustments consist only of normal recurring items unless otherwise noted. We make estimates and assumptions about future events. Actual results can, and probably will, differ from those we currently estimate including those principally related to allocating costs to real estate, measuring long-lived assets for impairment, oil and gas revenue accruals, capital expenditure and lease operating expense accruals associated with our oil and gas production activities, oil and gas reserves and depletion of our oil and gas properties. These interim operating results are not necessarily indicative of the results that may be expected for the entire year. For further information, please read the financial statements included in our 2015 Annual Report on Form 10-K.
At third quarter-end 2016, we have divested substantially all of our oil and gas working interest properties. As a result of this significant change in our operations, we have reported the results of operations and financial position of these assets as discontinued operations within the consolidated statements of income (loss) and comprehensive income (loss) and consolidated balance sheets for all periods presented. In addition, in second quarter 2016, we changed the name of the oil and gas segment to mineral resources to reflect the strategic shift from oil and gas working interest investments to owned mineral interests. We also changed the name of the other natural resources segment to other.
Note 2—New and Pending Accounting Pronouncements
Adoption of New Accounting Standards
In April 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-03, Interest – Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs, as part of its initiative to reduce complexity in accounting standards. To simplify presentation of debt issuance costs, the amendments in this update require that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. In August 2015, the FASB issued ASU 2015-15, Interest-Imputation of Interest (Subtopic 835-30), Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements - Amendments to SEC Paragraphs Pursuant to Staff Announcement at June 18, 2015 EITF Meeting (SEC Update), which allows an entity to defer and present debt issuance costs as an asset and subsequently amortize the deferred debt issuance costs ratably over the term of the line-of-credit arrangement, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. The updated standards are effective for financial statements issued for annual and interim periods beginning after December 15, 2015. We adopted ASU 2015-03 in first quarter 2016 and prior period amounts have been reclassified to conform to the current period presentation. As of December 31, 2015, $8,267,000 of debt issuance costs were reclassified in the consolidated balance sheet from other assets to debt. The adoption did not impact our consolidated financial position, results of operations or cash flows. As permitted under this guidance, we will continue to present debt issuance costs associated with revolving-debt agreements as other assets.
In February 2015, the FASB issued ASU 2015-02, Consolidation: Amendments to the Consolidation Analysis (Topic 810), requiring entities to evaluate whether they should consolidate certain legal entities. All legal entities are subject to reevaluation under the revised consolidation model. The revised consolidation model: (1) modifies the evaluation of whether limited partnerships and similar legal entities are variable interest entities (VIEs) or voting interest entities, (2) eliminates the presumption that a general partner should consolidate a limited partnership, (3) affects the

consolidation analysis of reporting entities that are involved with VIEs, and (4) provides a scope exception from consolidation guidance for reporting entities with interests in certain legal entities. The updated standard is effective for financial statements issued for annual and interim periods beginning after December 15, 2015. The adoption of this guidance, which was applied retrospectively, had no impact to our consolidated financial statements.

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Pending Accounting Standards

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606), requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either the retrospective or cumulative effect transition method. Early adoption is not permitted. The updated standard becomes effective for annual and interim periods beginning after December 15, 2017. We have not yet selected a transition method and we are currently evaluating the effect that the updated standard will have on our earnings, financial position and disclosures.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), in order to provide increased transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The updated standard is effective for financial statements issued for annual periods beginning after December 15, 2019 and interim periods within fiscal years beginning after December 31, 2020 with early adoption permitted. We are currently evaluating the effect that the updated standard will have on our earnings, financial position and disclosures.

In March 2016, the FASB issued ASU 2016-09, Compensation-Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting, as part of its simplification initiative. The areas for simplification in this update involve several aspects of the accounting for share-based payment transactions, including income tax consequences, classification of awards as either equity or liabilities, and the classification on the statement of cash flows. The updated standard becomes effective for annual and interim periods beginning after December 31, 2016. We are currently evaluating the effect that the updated standard will have on our earnings, financial position and disclosures.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows (Topic 230), in order to address eight specific cash flow issues with the objective of reducing the existing diversity in practice. The updated standard is effective for financial statements issued for annual periods beginning after December 15, 2017 and interim periods within those fiscal years with early adoption permitted. We are currently evaluating the effect that the updated standard will have on our earnings, financial position and disclosures.

Note 3—Real Estate

Real estate consists of:

	Third Quarter-End 2016			Year-End 2015		
	Carrying Value	Accumulated Depreciation	Net Carrying Value	Carrying Value	Accumulated Depreciation	Net Carrying Value
	(In thousands)					
Entitled, developed and under development projects	$293,356	$ —	$293,356	$352,141	$ —	$352,141
Timberland and undeveloped land (includes land in entitlement)	93,718	—	93,718	98,181	—	98,181
Commercial						
Radisson Hotel & Suites [a]	—	—	—	62,889	(29,268)	33,621
Income producing properties						
Eleven [a]	—	—	—	53,896	(2,861)	51,035
Dillon [a]	—	—	—	19,987	—	19,987
Music Row [a]	—	—	—	9,947	—	9,947
Downtown Edge multifamily site [b]	—	—	—	12,706	—	12,706
West Austin multifamily site [b]	—	—	—	9,097	—	9,097
	$387,074	$ —	$387,074	$618,844	$ (32,129)	$586,715

[a] Sold in 2016.

[b] Classified as assets held for sale at third quarter-end 2016.

At third quarter-end 2016, Downtown Edge and West Austin, two multifamily sites in Austin, were classified as held for sale at a net carrying amount of $14,394,000.

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In first nine months 2016, we sold the Radisson Hotel & Suites, a 413 room hotel in Austin, for $130,000,000, generating$128,764,000 in net proceeds before paying in full the associated debt of $15,400,000 and recognized a gain on sale of $95,336,000. We also sold Eleven, a wholly-owned 257-unit multifamily property in Austin, for $60,150,000, generating $59,719,000 in net proceeds before paying in full the associated debt of $23,936,000 and recognized a gain on sale of $9,116,000. In addition, we sold Dillon, a planned 379-unit multifamily property that was under construction in Charlotte, for $25,979,000, generating $25,433,000 in net proceeds and recognized a gain on sale of $1,229,000 and Music Row, a planned 230-unit multifamily property that was under construction in Nashville, for $15,025,000, generating $14,703,000 in net proceeds and recognized a gain on sale of $3,968,000.

In third quarter and first nine months 2016, we recognized non-cash impairment charges of $7,627,000 and $56,453,000 related to six non-core community development projects and two multifamily sites. These impairments were a result of our key initiative to review our entire portfolio of assets which resulted in business plan changes, inclusive of cash tax savings considerations, to market these properties for sale, which resulted in adjustment of the carrying value to fair value.

Our estimated costs of assets for which we expect to be reimbursed by utility and improvement districts were $54,290,000 at third quarter-end 2016 and $67,554,000 at year-end 2015, including $22,361,000 at third quarter-end 2016 and $22,302,000 at year-end 2015 related to our Cibolo Canyons project near San Antonio, Texas. In first nine months 2016, we have collected $13,197,000 in reimbursements that were previously submitted to these districts. At third quarter-end 2016, our inception-to-date submitted and approved reimbursements for the Cibolo Canyons project were $54,376,000 of which we have collected $36,109,000. These costs are principally for water, sewer and other infrastructure assets that we have incurred and submitted or will submit to utility or improvement districts for approval and reimbursement. We expect to be reimbursed by utility and improvement districts when these districts achieve adequate tax basis or otherwise have funds available to support payment.

Note 4—Discontinued Operations

At third quarter-end 2016, we have divested substantially all of our oil and gas working interest properties. As a result of this significant change in our operations, we have reported the results of operations and financial position of these assets as discontinued operations within the consolidated statements of income (loss) and comprehensive income (loss) and consolidated balance sheets for all periods presented. In addition, in second quarter 2016, we changed the name of the oil and gas segment to mineral resources to reflect the strategic shift from oil and gas working interest investments to owned mineral interests.

Summarized results from discontinued operations were as follows:

	Third Quarter		First Nine Months	
	2016	2015	2016	2015
	(In thousands)			
Revenues	$180	$10,983	$5,827	$35,219
Cost of sales	(108)	(93,434)	(6,593)	(174,462)
Other operating expenses	(3,318)	(1,644)	(5,707)	(8,652)
Loss from discontinued operations before income taxes	$(3,246)	$(84,095)	$(6,473)	$(147,895)
Gain (loss) on sale of assets before income taxes	955	(2,174)	(13,618)	(1,320)
Income tax benefit (expense)	(4,873)	(20,668)	2,663	2,566
Loss from discontinued operations, net of taxes	$(7,164)	$(106,937)	$(17,428)	$(146,649)

In first nine months 2016, we recorded a net loss of $13,618,000 on the sale of 199,263 net mineral acres leased from others and 379 gross (95 net) producing oil and gas working interest wells in Nebraska, Kansas, Oklahoma and North Dakota for total net proceeds of $80,084,000, which includes $3,269,000 in reimbursement of capital costs incurred on in-progress wells that were assumed by the buyer. Other operating expenses in third quarter 2016 include loss contingency charges of $1,100,000 related to the Huffman litigation and $1,155,000 related to potential environmental liabilities to plug and abandon certain oil and gas wells in Wyoming. Please read Note 14—Commitments and Contingencies for additional information about these items. In third quarter and first nine months 2015, cost of sales includes non-cash impairment charges of $79,438,000 and $125,383,000.

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The major classes of assets and liabilities of discontinued operations at third quarter-end 2016 and year-end 2015 are as follows:

	Third Quarter-End 2016	Year-End 2015
	(In thousands)	
Assets of Discontinued Operations:		
Receivables, net of allowance for bad debt	$116	$4,632
Oil and gas properties and equipment, net	—	79,733
Goodwill and other intangible assets	—	19,673
Prepaid expenses	8	96
Other assets	—	833
	$124	$104,967
Liabilities of Discontinued Operations:		
Accounts payable	$91	$342
Accrued property taxes	—	259
Other accrued expenses	3,546	8,924
Other liabilities	—	1,667
	$3,637	$11,192

Significant operating activities and investing activities of discontinued operations are as follows:

	First Nine Months 2016	2015
	(In thousands)	
Operating activities:		
Asset impairments	$612	$88,614
Dry hole and unproved leasehold impairment charges	—	46,722
Loss (gain) on sale of assets	13,618	1,320
Depreciation, depletion and amortization	2,202	24,254
	$16,432	$160,910
Investing activities:		
Oil and gas properties and equipment	$(579)	$(47,043)
Proceeds from sales of assets	76,815	13,111
	$76,236	$(33,932)

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Note 5—Goodwill and Other Intangible Assets

Carrying value of goodwill and other intangible assets follows:

	Third Quarter-End 2016	Year-End 2015
	(In thousands)	
Goodwill	$41,774	$41,774
Identified intangibles	1,681	1,681
	$43,455	$43,455

Goodwill related to our mineral interests was $37,900,000 at third quarter-end 2016 and year-end 2015. Goodwill associated with our water resources initiatives was $3,874,000 at third quarter-end 2016 and year-end 2015. Identified intangibles include $1,681,000 in indefinite lived groundwater leases associated with our water resources initiatives.

Note 6—Equity

A reconciliation of changes in equity through third quarter-end 2016 follows:

	Forestar Group Inc.	Noncontrolling Interests	Total
	(In thousands)		
Balance at year-end 2015	$501,600	$ 2,515	$504,115
Net income (loss)	14,903	1,330	16,233
Distributions to noncontrolling interests	—	(2,378)	(2,378)
Repurchase of common shares	(3,537)	—	(3,537)
Other (primarily share-based compensation)	2,747	—	2,747
	$515,713	$ 1,467	$517,180

In first nine months 2016, we repurchased 283,976 shares of our common stock at an average price of $12.45 per share.

Note 7—Investment in Unconsolidated Ventures

We participate in real estate ventures for the purpose of acquiring and developing residential, multifamily and mixed-use communities in which we may or may not have a controlling financial interest. U.S. GAAP requires consolidation of Variable Interest Entities (VIEs) in which an enterprise has a controlling financial interest and is the primary beneficiary. A controlling financial interest will have both of the following characteristics: (a) the power to direct the VIE activities that most significantly impact economic performance and (b) the obligation to absorb the VIE losses and right to receive benefits that are significant to the VIE. We examine specific criteria and use judgment when determining whether a venture is a VIE and whether we are the primary beneficiary and must consolidate a VIE. We perform this review initially at the time we enter into venture agreements and reassess upon reconsideration events.

At third quarter-end 2016, we had ownership interests in 17 ventures that we accounted for using the equity method, of which none are a VIE.

In first nine months 2016, we sold our interest in FMF Peakview LLC (360^0), a 304-unit multifamily joint venture near Denver, generating $13,917,000 in net proceeds and recognized a gain of $10,363,000 which is included in gain on sale of assets.

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Combined summarized balance sheet information for our ventures accounted for using the equity method follows:

	Venture Assets		Venture Borrowings[a]		Venture Equity		Our Investment	
	Third Quarter-End 2016	Year-End 2015	Third Quarter-End 2016	Year-End 2015	Third Quarter-End 2016	Year-End 2015	Third Quarter-End 2016	Year-End 2015
	(In thousands)							
242, LLC [b]	$27,110	$26,687	$3,182	$—	$21,428	$24,877	$10,048	$ 11,766
CL Ashton Woods, LLC [c]	4,426	7,654	—	—	3,685	6,084	2,107	3,615
CL Realty, LLC	7,913	7,872	—	—	7,798	7,662	3,899	3,831
CREA FMF Nashville LLC [b]	56,117	57,820	37,192	50,845	17,297	4,291	4,984	3,820
Elan 99, LLC	49,671	34,192	32,461	14,587	13,628	15,838	12,265	14,255
FOR/SR Forsyth LLC	9,584	6,500	—	—	9,016	6,500	8,115	5,850
FMF Littleton LLC	70,704	52,376	42,083	22,347	23,838	24,370	6,138	6,270
FMF Peakview LLC	—	48,869	—	30,485	—	16,828	—	3,447
HM Stonewall Estates, Ltd [c]	814	2,842	—	—	814	2,842	814	1,294
LM Land Holdings, LP [c]	29,350	31,984	4,481	7,728	23,762	22,751	10,770	9,664
MRECV DT Holdings LLC	4,039	4,215	—	—	4,039	4,215	3,635	3,807
MRECV Edelweiss LLC	2,816	2,237	—	—	2,816	2,237	2,764	2,029
MRECV Juniper Ridge LLC	4,403	3,006	—	—	4,403	3,006	3,882	2,730
MRECV Meadow Crossing II LLC	2,366	728	—	—	2,366	728	2,129	655
Miramonte Boulder Pass, LLC	12,783	12,627	6,660	5,869	5,380	5,474	5,387	5,349
Temco Associates, LLC	5,357	5,284	—	—	5,225	5,113	2,612	2,557
Other ventures	26	4,174	—	2,242	26	1,922	15	1,514
	$287,479	$309,067	$126,059	$134,103	$145,521	$154,738	$79,564	$ 82,453

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Combined summarized income statement information for our ventures accounted for using the equity method follows:

	Venture Revenues				Venture Earnings (Loss)				Our Share of Earnings (Loss)			
	Third Quarter		First Nine Months		Third Quarter		First Nine Months		Third Quarter		First Nine Months	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(In thousands)											
242, LLC [b]	$937	$2,884	$937	$20,583	$15	$1,161	$(449)	$9,034	$14	$597	$(218)	$4,642
CL Ashton Woods, LP [c]	288	3,958	1,977	6,369	83	1,341	601	2,719	129	1,849	892	3,405
CL Realty, LLC	140	205	386	674	72	103	136	346	37	52	68	174
CREA FMF Nashville LLC [b] [d]	1,291	442	3,273	477	(145)	(991)	(1,214)	(1,207)	1,484	(991)	1,164	(1,207)
Elan 99, LLC	461	—	628	—	(867)	—	(2,211)	(2)	(779)	—	(1,989)	(2)
FMF Littleton LLC	944	6	1,791	6	(183)	(152)	(531)	(152)	(47)	(38)	(133)	(38)
FMF Peakview LLC	—	628	939	1,280	—	(286)	(248)	(1,020)	—	(58)	(50)	(204)
FOR/SR Forsyth LLC	—	—	—	—	(21)	—	(38)	—	(19)	—	(34)	—
HM Stonewall Estates, Ltd [c]	822	921	1,948	2,590	280	480	794	1,292	120	157	347	730
LM Land Holdings, LP [c]	3,505	1,857	6,531	8,154	2,502	1,391	4,557	5,179	836	423	1,481	1,710
MRECV DT Holdings LLC	162	—	379	—	157	167	372	167	141			