



Compensation Committee Charter

Approved by the Board of Directors
on October 1, 2015

This charter sets forth the authority and responsibility of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of CalAtlantic Group, Inc. (the "Company").

I. PURPOSES AND AUTHORITY

The Committee shall provide assistance to the Board in fulfilling its responsibilities to achieve the Company's business purposes and to maximize the long-term total return to stockholders by ensuring that officers, directors and employees are compensated in accordance with the Company's compensation philosophy, objectives and policies. The Committee shall review and approve compensation and benefits policies, strategies and pay levels necessary to support corporate objectives. The Committee may, in its sole discretion:

- Utilize Company staff to assist on projects from time to time;
- Consult with the Chief Executive Officer (the "CEO") and other members of senior management as it determines necessary;
- Retain, terminate, oversee and pay outside advisors (including, without limitation, compensation consultants and legal advisors) to assist the Committee in fulfilling its duties; and
- Authorize independent studies of corporate compensation and benefits of comparable companies.

The Committee will primarily fulfill these responsibilities by carrying out the activities listed below in Section V of this charter. Subject to any restrictions or limitations on the delegation of power and authority imposed by the rules or regulations promulgated by Securities and Exchange Commission ("SEC"), the New York Stock Exchange ("NYSE"), or other regulatory authority, or by applicable law, the Committee shall have and may exercise all the powers and authority of the Board, including authority to delegate its duties and responsibilities to one or more subcommittees as the Committee determines appropriate, reasonably necessary or advisable for the Committee to effectuate its purposes and perform its responsibilities as set forth in this Section I and Section V of this charter.

II. COMPOSITION

Subject to Article X of the Company's Bylaws, the Committee shall be appointed annually to serve at the pleasure of the Board and will be comprised of not less than three members of the Board who are "independent directors" for purposes of the NYSE rules (including the NYSE's enhanced independence standards for compensation committee members), "outside directors" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") and "non-employee directors" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended. Subject to Article X of the Company's Bylaws, the Board shall designate one member of the Committee to serve as Chairman. Subject to Article X of the Company's Bylaws, vacancies in the Committee may be filled at any meeting of the Board.

III. MEETINGS

The Committee shall meet at least four times per year, or more frequently as circumstances dictate. Regular meetings of the Committee may be held without call or notice at such times and places as the Committee from time to time may fix. Special meetings of the Committee may be called by the Chairman of the Committee or by the Secretary of the Company when requested to do so by any two members of the Committee. Notice shall be given in the same manner as notice of special meetings of the Board.

Meetings may include participation by Company management and compensation consultants as determined appropriate by the Committee.

Any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if consent in writing is given thereto by all members of the Committee and such consent is filed with the minutes.

Minutes of the meetings of the Committee will be prepared promptly by the Secretary of the Company or a delegate. The Secretary shall cause to be kept in the minute books of the Company the minutes of the meetings of the Committee. These minutes shall be made available to the members of the Board from time to time for their information.

IV. QUORUM

Subject to Article X of the Company's Bylaws, a majority of the members of the Committee, but no fewer than two persons, shall constitute a quorum for the transaction of business at any meeting of the Committee. Any action of the Committee to be effective must be authorized by the affirmative vote of a majority of the members thereof present, subject to a quorum being present, and in any event shall require not less than two affirmative votes.

V. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties the Committee shall:

1. Assist the Company in defining an executive total compensation policy that:
 - Supports the Company's overall strategy and objectives;
 - Attracts and retains key executives;
 - Links total compensation to financial performance and the attainment of strategic objectives; and
 - Provides competitive total compensation opportunities at a reasonable cost while enhancing the ability to fulfill the Company's objectives.
2. Act on behalf of the Board in:
 - Setting compensation policy;
 - Administering compensation plans; and
 - Making decisions on the compensation of key company executives (including the review and approval of merit/other compensation programs and payouts under incentive plans.)
3. Annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and determine and approve the CEO's compensation (including, without limitation, base salary, annual incentive opportunity levels, equity awards, perquisites and any other benefits or compensation) based on this evaluation.

4. Oversee the evaluation of other executive officers and review and approve the following with respect to such other executive officers:
 - Annual base salary levels;
 - Annual incentive opportunity levels;
 - Equity awards;
 - Perquisites; and
 - Any other benefits or compensation.
5. Annually evaluate the CEO's and, when appropriate, other executive officers' compensation levels and payouts against:
 - Pre-established measurable performance goals and objectives; and
 - An appropriate comparator group.
6. Review and recommend to the Board for approval employment and severance arrangements and agreements for the CEO and other executive officers, including change-in-control provisions, plans or agreements, as applicable.
7. Review and comment on the Company's strategic and financial plans to determine their relationship to the compensation program.
8. Review and approve new and amended or modified compensation plans that are consistent with compensation policy, monitor the appropriateness and effectiveness of such plans and administer and make recommendations to the Board with respect to the Company's incentive compensation and equity-based compensation plans that are subject to the Board approval.
9. Draw clear lines of authority, responsibility and coordination between the Committee and other Board committees, as appropriate and necessary.
10. Review the management succession program and coordinate closely with the Nominating and Corporate Governance Committee and the Board on succession planning.
11. Recommend pay levels for Board members including retainers, fees, equity awards, benefits and perquisites for vote by the full Board.
12. Review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") and related disclosures that the SEC rules require to be included in the Company's annual report and proxy statement, recommend to the Board based on the review and discussions whether the CD&A should be included in the annual report and proxy statement, and oversee preparation of the Committee report required by SEC rules for inclusion in the Company's annual report and proxy statement.
13. Assess the results of the Company's most recent advisory vote on executive compensation.
14. Annually review compliance by executive officers and directors with the Company's stock ownership guidelines.
15. Oversee the assessment of risks related to the Company's compensation policies and programs applicable to officers and employees and review the results of this assessment.
16. At least annually assess whether the work of compensation consultants involved in determining or recommending director or executive compensation has raised any conflict of interest that is required to be disclosed in the Company's annual report and proxy statement.

17. Ensure the total compensation program and practices of the Company are designed with consideration given to tax, accounting, legal and regulatory requirements (including Section 162(m) of the Code).
18. Keep abreast of current developments in executive compensation and employee compensation practices outside the Company.
19. Report to the Board following meetings of the Committee and perform any other activities consistent with this charter, the Company's Certificate of Incorporation and Bylaws and governing law as the Committee or the Board deems necessary or appropriate.
20. Annually evaluate the performance of the Committee.
21. Periodically review the adequacy of this charter and recommend changes, if any, to the Board.

VI. SELECTION, OVERSIGHT AND FUNDING OF ADVISORS

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other advisor. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such advisor(s) retained by the Committee and shall receive appropriate funding, as determined by the Committee, from the Company for payment of compensation of any such advisor(s). The Committee may select an advisor only after considering all factors relevant to the advisor's independence from management, including the following:

- The provision of other services to the Company by the advisor (or the person that employs the advisor);
- The amount of fees received from the Company by the person that employs the advisor as a percentage of the total revenue of the person that employs the advisor;
- The policies and procedures followed by the person that employs the advisor that are designed to prevent conflicts of interest;
- Any business or personal relationship of the advisor with a member of the Committee;
- Any stock of the Company owned by the advisor; and
- Any business or personal relationship of the advisor (or the person that employs the advisor) with an executive officer of the Company.

The Committee is not required to conduct the foregoing analysis with respect to (i) in-house legal counsel or (ii) any advisor whose role is limited to the following activities for which no disclosure would be required under applicable SEC rules, including Item 407(e)(3)(iii) of Regulation S-K: consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors of the Company, and that is available generally to all salaried employees of the Company; or providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the advisor and about which the advisor does not provide advice.

For the avoidance of doubt, it is not a requirement that an advisor be independent, only that the Committee consider the foregoing independence factors before selecting or receiving advice from the advisor. The Committee may select or receive advice from any advisor they prefer, including advisors that are not independent, after considering the foregoing independence factors. In addition, the Committee is not required to implement or act consistently with the advice or recommendations of any advisor it engages. The Committee remains able and obligated to exercise its own judgment in the fulfillment of its duties.