



December 28, 2017

## **CalAtlantic Group, Inc. Announces Anticipated Effective Date of Make-Whole Adjustment Event to Holders of 1.625% Convertible Senior Notes due 2018 and 0.25% Convertible Senior Notes due 2019**

ARLINGTON, Va., Dec. 28, 2017 /PRNewswire/ -- CalAtlantic Group, Inc. (NYSE: CAA) (the "Company") hereby provides notice of the anticipated Effective Date of a Make-Whole Fundamental Change pursuant to the terms of (i) the Indenture dated as of June 28, 1996 (the "Base Indenture") between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"), as supplemented by the Seventh Supplemental Indenture dated as of May 16, 2012 (the "Seventh Supplemental Indenture") and the Eleventh Supplemental Indenture dated as of October 1, 2015, which govern the 1.625% Convertible Senior Notes Due 2018 (the "2018 Notes"), and (ii) the Base Indenture, as supplemented by the Ninth Supplemental Indenture dated as of May 20, 2013 (the "Ninth Supplemental Indenture") and the Twelfth Supplemental Indenture dated as of October 1, 2015, which govern the 0.25% Convertible Senior Notes due 2019 (the "2019 Notes"). Each capitalized term used but not defined in this press release has the meaning given in the Seventh Supplemental Indenture with respect to the 2018 Notes and the Ninth Supplemental Indenture with respect to the 2019 Notes, as applicable.

As previously announced, on October 29, 2017, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Lennar Corporation, a Delaware corporation ("Lennar"), and Cheetah Cub Group Corp., a newly formed Delaware corporation and a wholly owned subsidiary of Lennar ("Merger Sub"). Subject to the terms and conditions of the Merger Agreement, the Company will merge (the "Merger") with and into Merger Sub, with Merger Sub continuing as the surviving corporation in the Merger. The completion of the Merger will constitute a Make-Whole Fundamental Change under both the Seventh Supplemental Indenture with respect to the 2018 Notes and the Ninth Supplemental Indenture with respect to the 2019 Notes. Pursuant to Section 5.07(a) of each of the Seventh Supplemental Indenture and the Ninth Supplemental Indenture, the Company hereby gives notice that the anticipated Effective Date of the Make-Whole Adjustment Event consisting of the Merger is on or after February 12, 2018.

### **About CalAtlantic Group, Inc.**

CalAtlantic Group, Inc. (NYSE: CAA), one of the nation's largest and most respected homebuilders, offers well-crafted homes in thoughtfully designed communities that meet the desires of customers across the homebuilding spectrum, from entry level to luxury, in 41 Metropolitan Statistical Areas spanning 17 states. With a trusted reputation for quality craftsmanship, an outstanding customer experience and exceptional architectural design earned over its 50 year history, CalAtlantic Group, Inc. utilizes its over five decades of land acquisition, development and homebuilding expertise to acquire and build desirable communities in locations that meet the high expectations of the company's homebuyers. Additional information about us is available by visiting [www.calatlantichomes.com](http://www.calatlantichomes.com).

*This press release contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and may qualify for the safe harbor provided for in Section 21E of the Securities Exchange Act of 1934, as amended. These statements include but are not limited to statements about the expected timing for completing the proposed merger. Any statements that are not statements of historical fact (including statements containing the words "expects," "intends," "anticipates," "estimates," "predicts," "believes," "should," "potential," "may," "forecast," "objective," "plan," or "targets" and other similar expressions) are intended to identify forward-looking statements. Forward-looking statements are based on our current expectations or beliefs regarding future events or circumstances, and you should not place undue reliance on these statements. Such statements involve known and unknown risks, uncertainties, assumptions and other factors many of which are out of the Company's control and difficult to forecast that may cause actual results to differ materially from those that may be described or implied. The Company cannot be certain that the merger will be completed on the timing discussed above, or at all. For a discussion of certain other risks, uncertainties and other factors affecting the statements contained in this news release, see the Company's filings with the Securities and Exchange Commission, including in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 and subsequent Quarterly Reports on Form 10-Q. The Company assumes no, and hereby disclaims any, obligation to update any of the foregoing or any other forward-looking statements, except as required by law. The Company nonetheless reserves the right to make such updates from time to time by press release, periodic report or other method of public disclosure without the need for specific reference to this press release. No such update shall be deemed to indicate that other statements not addressed by such update remain correct or create an obligation to provide any other updates.*

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