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Beazer Homes sees ballooning losses

The Associated Press

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ATLANTA Struggling homebuilder Beazer Homes USA Inc. said Tuesday its fiscal fourth-quarter losses more than tripled as revenue plunged and its income tax provision ballooned.

Losses for the quarter ended Sept. 30 totaled \$473.9 million, or \$12.29 per share, compared with year-ago losses of \$155.2 million, or \$4.03 per share. Losses from continuing operations totaled \$12.32 per share in the latest period.

Atlanta-based Beazer said revenue fell to \$712.6 million from \$1.09 billion as home closings tumbled 38 percent.

Meanwhile, the company's income tax provision swelled to \$334.9 million versus a tax gain of \$76.6 million last year. Having posted losses for the last four years, the company must reserve against deferred tax assets when it's likely those assets won't be realized.

Analysts surveyed by Thomson Reuters expected a loss of \$2.10 per share on revenue of \$593.4 million.

The homebuilder said demand for new homes continues to be hurt by low consumer confidence, falling prices, extensive supply and less access to mortgage financing.

"Conditions in both the overall economy and housing market came under greater pressure during our fourth quarter and have continued to deteriorate since that time," said Ian J. McCarthy, president and chief executive, in a statement.

Beazer said new orders rose 10 percent to 1,083 homes, driven largely by a lower cancellation rate of 45.7 percent during the period.

As of Sept. 30, Beazer's backlog totaled 1,358 homes with a sales value of \$326.6 million, compared with 2,985 homes with a sales value of \$838.8 million a year ago.

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Beazer built one of their communities near my older established neighborhood with