



Clayton®



2021
Annual Review



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Our 21,000 team members helped more than 60,000 families and individuals across the country become homeowners.



49,836

Off-site built homes constructed



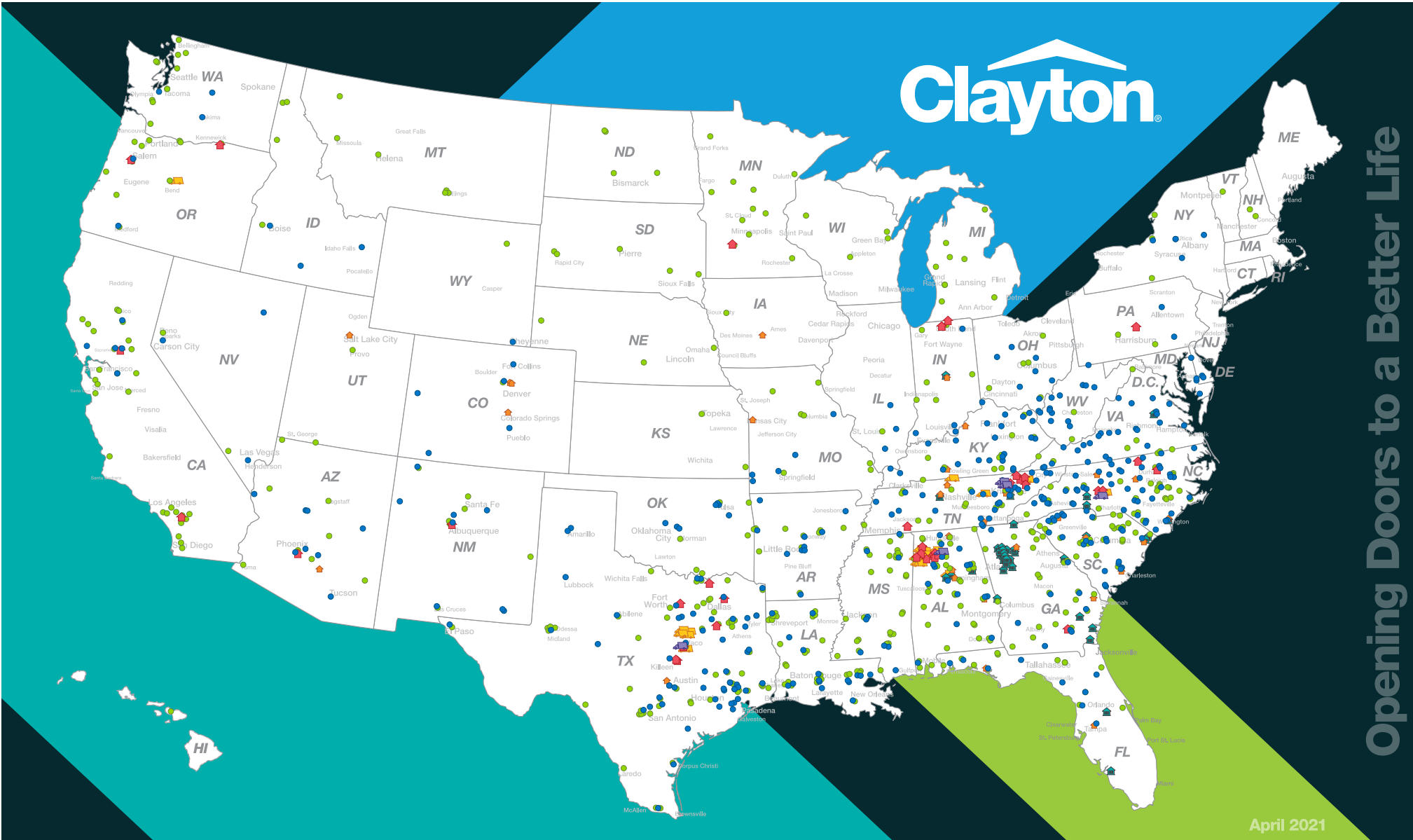
10,865

Site-built homes constructed



“We are blessed with the purpose of opening doors to a better life, and have engaged team members who are driven to develop innovative housing solutions and further democratize attainable housing for all.”

- Kevin Clayton, CEO



Opening Doors to a Better Life

April 2021

Home Building Group

- Home Building Facilities
- Clayton Properties Group
- Supply Centers
- Connect Terminals

Home Centers

- Company Owned
- Independent Partners

Financial Services

- Vanderbilt Mortgage / Silverton Mortgage

2021 Locations Map

Sustainability



“From the building process to homeownership, we are excited to continue incorporating sustainability into our business. As we look to the future, our national sustainability efforts will include improving the energy efficiency of our home building and supply operations, setting ongoing reduction targets for waste and water, and increasing our reliance on renewable energy.”

- William Jenkins

Director of Environment and Sustainability



19,944

ENERGY STAR® certified homes constructed and installed.* According to the U.S. Environmental Protection Agency, ENERGY STAR certified homes are quieter and more comfortable, have lower utility bills and help protect the environment by reducing greenhouse gas emissions.

*ENERGY STAR and the ENERGY STAR mark are registered trademarks owned by the U.S. Environmental Protection Agency.



2021 Governor's Environmental Stewardship Award

Lisa Lujan received the 2021 Governor's Environmental Stewardship Award in Materials Management for embracing sustainability. Lujan served as the health and safety manager at Clayton Savannah in 2020 before moving to Clayton Giles to replicate the project. In 2020, Clayton Savannah reused 1.5 million pounds of materials – primarily wood and sheetrock – that would have otherwise gone to landfills.

34

facilities awarded ENERGY STAR Residential New Construction Market Leader Awards

22,496

homes sold with our Energy Smart® Home package, which includes several energy efficient upgrades for homeowners that provide the potential for long-term savings.

52

ISO® 14001 certified home building and supply facilities**

**ISO is the registered trademark of the International Organization for Standardization



Clayton Savannah's Environmental Accomplishments Since 2016

13,000+

tons of materials diverted from landfills

56%

reduction in waste

300%

increased recycling, which is more than **6,000** tons

Philanthropy

In 2021, Clayton® contributed more than \$11.9 million to nonprofits across the country. Additionally, team members across the company contributed close to \$680,000.

Clayton is committed to be a force for good where we live and work and focuses on four pillars of investment in our communities.



Affordable Housing



Sustainability



Education



Community Enrichment



Team Members Sort Donations at Second Harvest Food Bank

Clayton ImpactSM

[Clayton Impact](#), an innovative paid volunteer program, was launched in July to empower team members to make a difference with organizations that personally resonate with them. The program provides full-time Clayton team members 8 hours and part-time team members 4 hours of volunteer time off each year. More than 1,100 team members have provided over 6,000 volunteer hours in their local communities since the launch.



“At Clayton, we are opening doors to a better life by empowering nonprofit organizations to change the lives of people in our communities. We do this through national and local partnerships and by supporting our team members as they volunteer and engage in their communities.”

- Susan Brown

Director of Philanthropy





A Future Begins at Home

Three years ago, Clayton® and Family Promise® established *A Future Begins at Home*, a program that helps prevent families from experiencing homelessness. The success of the program has attracted funding from numerous partners, increasing its reach and impact. To date, *A Future Begins at Home* has served **3,200** families facing housing insecurity, including **7,100** children.

Clayton Home Donations

To date, Clayton has donated **12** off-site Clayton Built® homes to provide stable housing for families who have graduated from Family Promise programs and are working toward housing stability. In 2021, Clayton donated **3** homes for transitional housing, which bridges the gap from homelessness to permanent housing.

Baldwin County, AL



Lower Cape Fear, NC



Sherman, TX



Our Homeowners



Norman Harrop

“The experience through Clayton was fabulous. No matter what you wanted, they did it for you.”

U.S. Army veteran Norman Harrop’s home in a new East Tennessee neighborhood is the perfect place for him to stay active in his garden.

“There is no better part of the home buying journey from both our perspective and our customers’ than the moment we hand them the keys to their new home. It’s a time to celebrate both all that has occurred and to look forward to all that will be.”

- Danny Warrick

President Clayton Homes
Retail Division



The Taylor Family

“I was not expecting what I saw. I was completely blown away.”

Bonny and Alec’s home buying journey led them to Clayton, where they challenged their preconceptions and found the personalized home of their dreams.



What People Are Saying

“The team worked hard and fast to get me through my approval process. Everything was explained thoroughly to me and they were quick to answer and respond to any concern I had. Overall my experience with the home loan approval process was very comforting with little stress as much as possible, thanks to the approval team. I look forward to building a great relationship with the company.”

- Shawn

“Our whole experience was great from start to finish. We had never done this before so we were quite overwhelmed at first. From sales, to design, to the project managers, they walked us through everything every step of the way. It was an awesome experience and our house is beautiful!”

- Randi

“[The HomeFirst Agency representative] really cared what I was going through even though he had thousands of other claims to deal with. He was compassionate, kind, honest and answered every one of my questions ... I will never forget the patience and kindness that this man showed me and my family during a disaster.”

- Colleen

“... Everyone there was always friendly, happy, and helpful. By the time we bought our house we felt like celebrities. Finally, our house was to come right before Christmas. We had one son from college, and a son and daughter from armed services coming home for the holidays. The folks at Clayton knew how important it was for us to be in for our family.”

- Steven

“My husband and I have been in our home for a few days over a year now and I STILL get excited to go home. I still get compliments from friends and family about how beautiful the inside is. I would 100% recommend them to anyone!”

- Jelissa

Our Team Members



“I have never seen a company that is so into helping their team members become something better.”

- Sandy Santos

Team Member Experience Manager,
Clayton Oxford



Home Office

America's Best Employers for Diversity

In April, Clayton was named No. 74 on a [list of America's Best Employers for Diversity](#). The roster of 500 companies is based on surveys and market research as well as recommendations and diversity and inclusion initiatives.



“Clayton team members across the organization continued to implement a robust digital experience both for our customers and other team members. Embracing the digital atmosphere created more flexible work opportunities and an improved overall team member experience.”

- Stephanie Flood

Clayton Chief Information Officer

Backpacks for Students

As part of the launch of the Clayton ImpactSM program, home office team members assembled backpacks with school supplies and encouraging messages at the start of the school year, to benefit Big Brothers Big Sisters[®] of East Tennessee.



2,095

Team members at the Clayton Home Office in Maryville, TN.



Flexible Work Opportunities

Clayton continues to evolve to meet the needs of today's workforce by providing remote and flexible work opportunities for team members. The [ongoing Campus Build project](#) at the home office also features innovative workspaces, technology and meeting areas designed for various work styles.

Team Member Community

From a drive-in movie event to a fall festival and farmers markets, team members participated in activities to connect with each other and celebrate various events throughout the year. The company also held several on-site vaccine clinics to help support team member health.



Home Building Group®



40

home building facilities

21

supply facilities and distribution centers

9

site builders

“A world class customer experience begins with creating an even better team member experience. We are extremely proud of all our team members who have remained dedicated to helping our customers during this time of record demand and need for more attainable housing.”

- Keith Holdbrooks

President Clayton Home Building Group



12,016 Clayton Manufacturing® team members



1,185 Clayton Supply® team members



2,370 Clayton Properties Group® team members



226 Clayton Connect® team members



Behind the Build

Whether it's added strength in the flooring systems or extra protection against the elements, the Behind the Build video series gives customers a look at just a few of the ways Clayton goes above and beyond in its Clayton Built® homes.



I am Clayton

Sandy Santos, team member experience manager at the Clayton Oxford home building facility, shared the story of her journey at Clayton and how she helps team members grow and celebrate their accomplishments every day.



Opening Doors™

In the fall, Home Building Group® debuted its lifestyle brand magazine, Opening Doors. The publication features decor trends from Clayton's designers, interviews with team members, customer stories and more.



Clayton Oxford and Rebuilding Hope Inc.

Team members at the Clayton Oxford home building facility volunteered with a Henderson, NC-based nonprofit that makes home repairs for those who have financial barriers or are physically unable to do the repairs themselves. Throughout the year, **30** Clayton Oxford team members helped the nonprofit complete **6** projects through Clayton's volunteer time off program.



Throughout the year, Clayton Home Building Group team members volunteered more than **3,000** hours for various organizations from soup kitchens to rebuilding homes for families in need.

Clayton Properties Group[®]



Our site-built home builders continue to grow through both new partnerships and new communities to meet the needs of customers across the country.

Goodall Homes[®] acquires Legacy Homes[®] in Huntsville, AL

CraftMaster Homes joins Mungo Homes[®] in Richmond, VA

Summit Homes[®] acquires Berkeley Building Co. in Boise, ID

Harris Doyle[®] acquires Dilworth Homes in Auburn, AL



Oakwood Homes St. Jude Dream Home[®]

For the past 11 years, Oakwood Homes has helped raise funds for St. Jude Children's Research Hospital[®] with its St. Jude Dream Home Giveaway[®]. In 2021, **16,000** raffle tickets were sold, raising **\$1.6 million**. The winner of the home, located in one of Oakwood's Colorado communities, was announced in October.

Expanding into New Markets

Arbor Homes[®] in Cincinnati and Columbus, OH

Goodall Homes[®] in Bowling Green, KY

Harris Doyle Homes[®] in Panama City, FL

Oakwood Homes[®] in Phoenix, AZ



On the Rock[®]

Goodall Homes launched its foundation, On the Rock and raised more than \$200,000 during its inaugural golf tournament. The faith-based nonprofit organization is dedicated to helping the special needs community. It does this through scholarships and partnering with local organizations to provide a safe environment to learn a profession, work, live and receive on-site care.

Retail

Creating a positive, more seamless customer experience is at the forefront of what team members at home centers do each day as they assist home buyers, from choosing a home to move-in day and beyond.



364

Clayton home centers



2,768

Clayton Homes Retail team members

Welcome Home

Clayton Retail team members helped welcome **22,223** families into their new Clayton Built® homes.



HouseSmart®

The HouseSmart brand platform is reflected both in home centers and online and focuses on the four key concepts behind how Clayton Built® homes are crafted with customers in mind: BuiltSmart™, DesignSmart®, EnergySmart® and BudgetSmart®. Topics range from interior design and construction to energy efficient features and more.



Sales Center of the Year

Clayton Homes of Chino Valley was awarded Manufactured Housing Institute's® 2021 Retail Sales Center of the Year for the West region. In 2020, the Chino Valley team organized a new development where CrossMod™ homes were sold.



CrossMod is a trademark of the Manufactured Housing Institute.



DX Home Designer

With our new DX Home Designer website, launched in November at several South Carolina home centers, customers will work with a product specialist to design a home from the Epic series models and connect with their local home center for a more customized buying experience.



Voice of the Customer

In August, we launched our new Voice of the Customer platform for our Clayton home centers. This platform helps team members better anticipate customer's needs throughout their home buying journey.

Financial Services



 **54,543**
Loans originated

 **52,554**
New insurance policies sold



898
Vanderbilt team members



560
Silverton team members



916
21st team members



102
HFA team members

“Throughout the year, our team members continued to lean into simplifying the homebuying experience for customers. We maintained the highest level of customer satisfaction while streamlining processes to make the financing journey more efficient for both borrowers and team members.”

– **Josh Moffitt**

President Silverton Mortgage

Vanderbilt Mortgage and Finance, Inc., and its dba Silverton Mortgage, 500 Alcoa Trail, Maryville, TN 37804, 865-380-3000, NMLS #1561, (<http://www.nmlsconsumeraccess.org/>)

21st Mortgage Corporation, 620 Market Street, Knoxville, TN 37902, 865-523-2120, NMLS #2280, (<http://www.nmlsconsumeraccess.org/>)

Vanderbilt Express Portal

From tracking the process of their home loan application to making payments or finding resources, this online tool lets customers easily access and manage their loan information.

On average, customers who used the portal reduced their loan process by **5** days.

Raving Fans Index

Vanderbilt's Raving Fan Index, calculated using the Net Promoter ScoreSM system, measures customer satisfaction based on how likely they would be to recommend Vanderbilt to friends and family.



Raving Fan Index rolling 12-month average through Dec. 31 **75.4%**

Net Promoter ScoreSM is a service mark of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld.

Easy Score

This internal feedback system is used to measure customers' satisfaction with the overall Vanderbilt application and loan process on a 1-10 scale. The average score is then shown as a percentage out of 100. Vanderbilt's Easy Score for 2021 was an average of **94%**.



The Silverton Foundation

Since its inception in 2012, the Silverton Foundation has provided 100 years' worth of mortgage and rent assistance for families with children undergoing long-term hospitalization or medical treatment. This year, the foundation assisted **106** families with **204** months' worth of payments

Financial Services team members participated in various VTO opportunities.



Net Promoter ScoreSM

Net Promoter Score

The Net Promoter Score (NPS) is one of the most telling internal measurement tools Clayton uses. The internationally recognized system boils down customer satisfaction to one important question: How likely would you be to recommend us to friends and family?

Based on their rating, customers are classified in 3 categories: detractors (1-6 rating), passives (7-8) and promoters (9-10). Scores range from -100 to 100 and a score higher than 0 is typically considered good while scores above 50 are considered excellent.

NPS[®] is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld. Net Promoter ScoreSM is a servicemark of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld.



$$\text{Promoters} - \text{Detractors} = \text{NPS}$$

Clayton Retail rolling 12-month
average through Dec. 31

75.49



*Trademarks of companies other than Clayton that appear within this Annual Review are the property of those other companies.

