

Investor Presentation

Second Quarter 2023

TaylorMorrison®

At a Glance

as of 2022

$8.2 billion

total revenue

12,647

home closings

19

operating markets

as of the second quarter 2023

72,000

homebuilding lots owned & controlled

5.8 years

total homebuilding lot supply (3.3 years owned)

327

active selling communities

$639,000

average home closing price

21.8%

return on equity

$2.3 billion

total liquidity

TaylorMorrison

Key Metric Comparison

Operating Statistics	Q2 2023	Q2 2022	Year-Over-Year Change
Net Sales Orders	3,023	2,554	18%
Net Sales Orders Average Sales Price (in Thousands)	$613	$699	(12%)
Cancellation Rate (% of Gross Sales Orders)	11.2%	10.8%	40 bps
Home Closings	3,125	3,032	3%
Home Closings Average Sales Price (in Thousands)	$639	$621	3%
Backlog Units	6,165	8,922	(31%)
Backlog Value	$4,094	$6,099	(33%)
Income Statement Metrics			
Home Closings Revenue	$1,997	$1,883	6%
Total Revenue	$2,061	$1,995	3%
Home Closings Gross Margin	24.2%	26.6%	(240) bps
SG&A % of Home Closings Revenue	9.2%	8.8%	40 bps
Earnings per Diluted Share	$2.12	$2.45	(14%)
Balance Sheet Metrics			
Cash and Equivalents	$1,227	$378	224%
Stockholders' Equity	$5,095	$4,194	21%
Book Value per Diluted Share	$45.96	$35.26	30%
Homebuilding Gross Debt-to-Capitalization	29.7%	39.9%	(1,020) bps
Homebuilding Net Debt-to-Capitalization	15.4%	36.4%	(2,110) bps

Note: Dollars in Millions, Unless Noted.

TaylorMorrison

Third Quarter and Full Year 2023 Guidance Metrics

	Third Quarter 2023	Full Year 2023
Ending Active Community Count	320 to 325	320 to 325
Home Closings	Approximately 2,600	Approximately 11,000
Average Sales Price	Approximately $615,000	Approximately $625,000
GAAP Home Closings Gross Margin	Approximately 23.0%	Approximately 23.5%
SG&A % of Home Closings Revenue	Not Provided	High-9% Range
Effective Tax Rate	Approximately 25%	Approximately 25%
Diluted Share Count	Approximately 111 Million	Approximately 111 Million
Homebuilding Land & Development Spend	Not Provided	Around $1.8 Billion

Note: Outlook issued July 26, 2023.

TaylorMorrison.

Strong Performance Reflective of Operational Enhancements

Operational Initiatives

- Strategic Selling and Balanced To-be-Built and Spec Home Mix
- Floorplan and Option Rationalization
- Spec and Model Home Inventory Management
- “Canvas” Option Packages and Targeted Design Center Approach
- Digital Sales and Marketing Innovation
- Efficiencies with Enhanced Scale, Product Alignment Post M&A

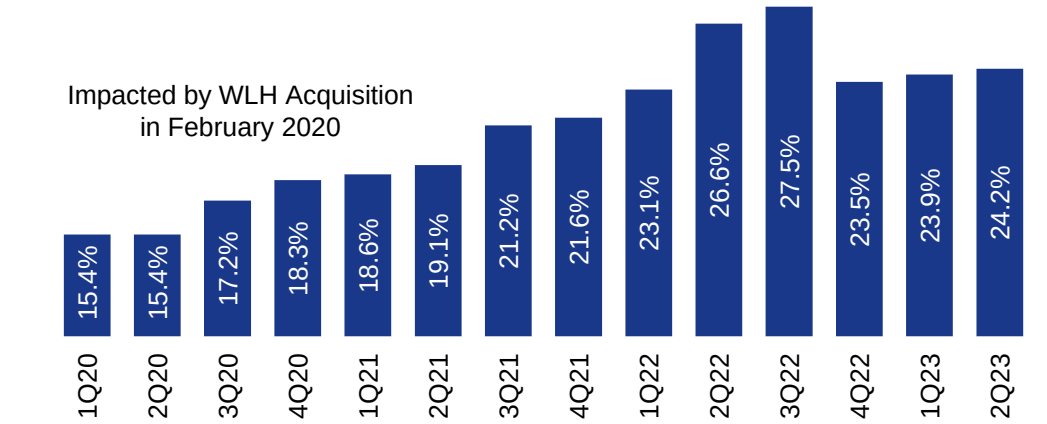
Land-Lighter Balance Sheet

- Opportunistic and Disciplined Land Investment
- Balanced Mix of Owned and Controlled Lots
- Shorter Land Duration

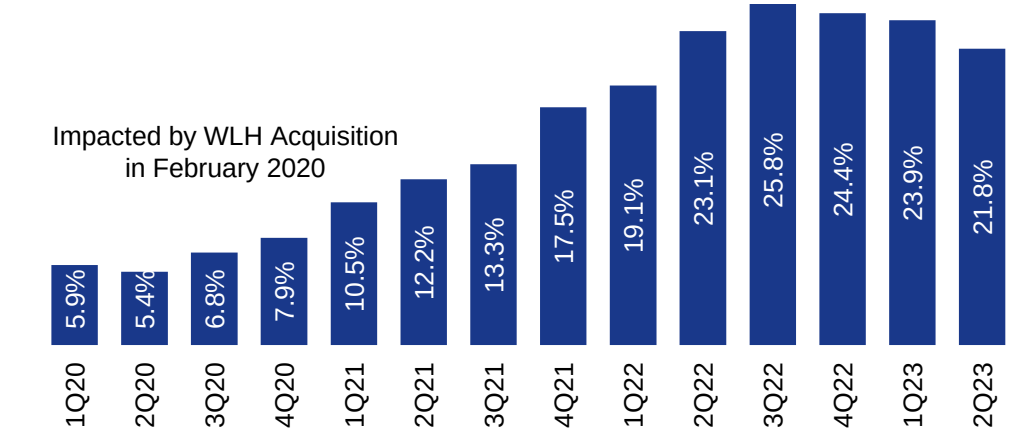
Balanced Capital Allocation

- Invest for Smart Growth to Drive Returns
- Maintain Significant Liquidity
- Proactive Debt Management
- Opportunistic Share Repurchases

Home Closings Gross Margin



Return on Equity[(1)]



TaylorMorrison

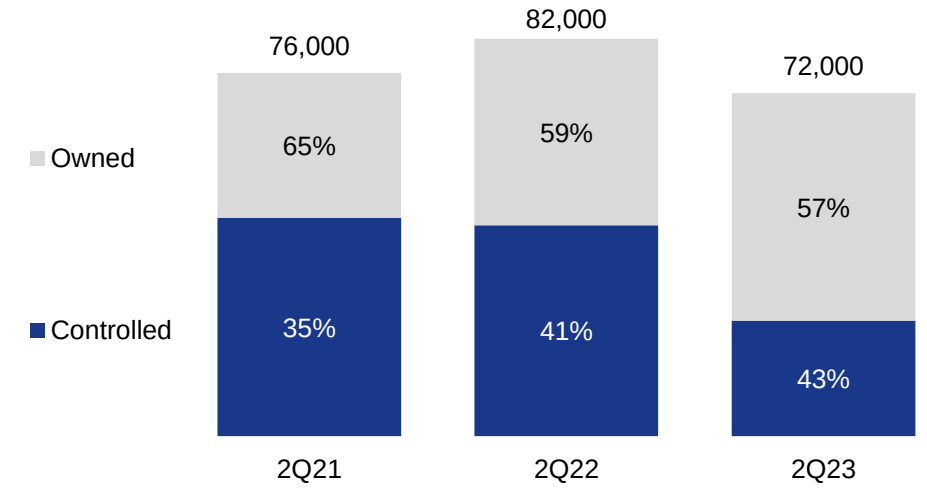
Note: (1) ROE equals TTM net income divided by average stockholder’s equity in the current and prior-year period.

Opportunistic Land Investment Enabled by Strong Lot Portfolio

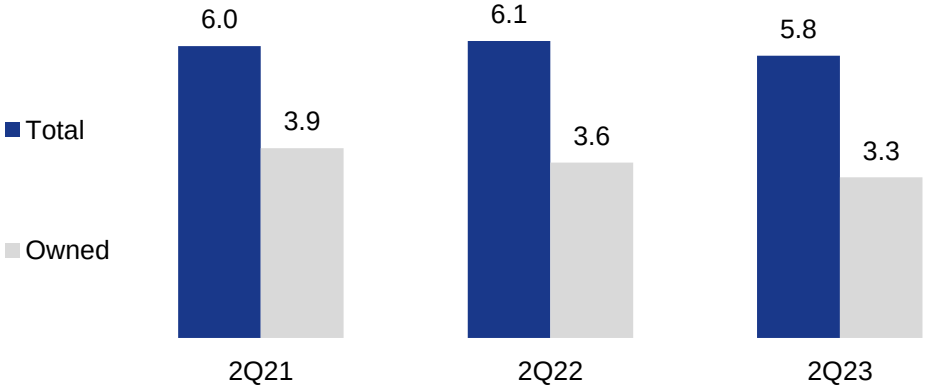
Q2 2023 Highlights

- Disciplined land investment strategy focuses on prime land locations in core submarkets
- 72,000 owned and controlled homebuilding lots
  - 43% of lots controlled, up from 41% a year ago
  - Selectively deploying land-lighter investment tools to balance cost of capital with expected returns
- Homebuilding land spend totaled $397 million in the second quarter, of which 54% was development-related
- Total homebuilding land spend in 2023 is now expected to be around $1.8 billion

Homebuilding Lot Supply



Years of Homebuilding Lot Supply(1)



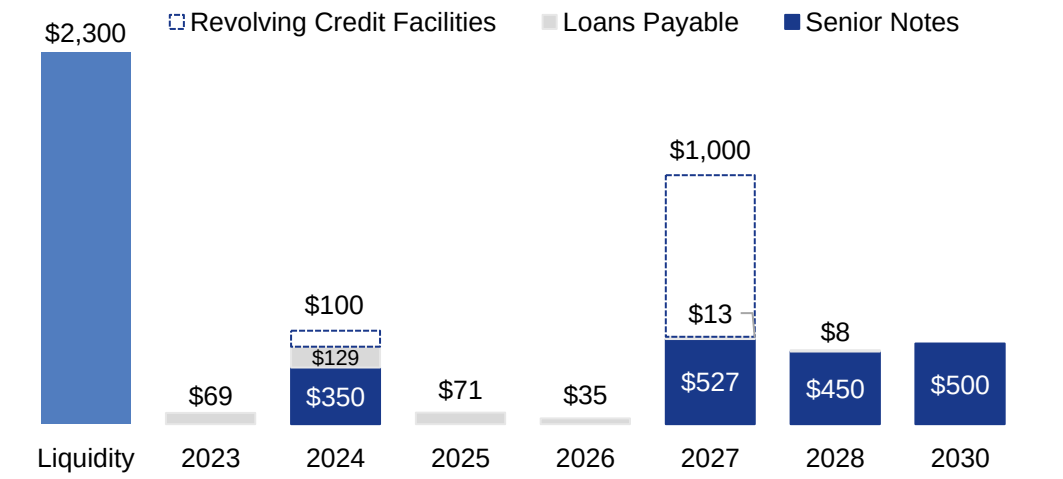
Note: (1) Based on trailing twelve-month home closings.

Well-Capitalized Balance Sheet Provides Financial Flexibility

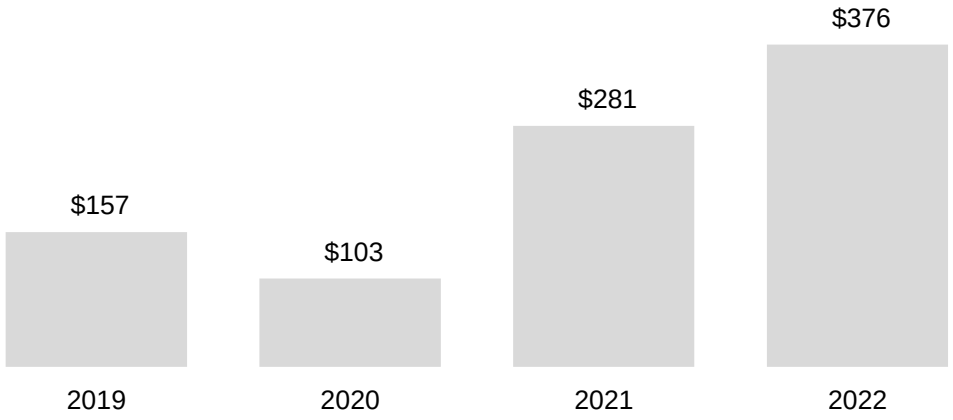
Q2 2023 Highlights

- $2.3 billion total available liquidity—an all-time high
  - $1.2 billion unrestricted cash
  - $1.1 billion total revolving credit facility capacity, which was undrawn outside of normal course letters of credit
- 15.4% net homebuilding debt-to-capital ratio—an all-time low
  - Down from 36.4% a year ago
  - Expect to pay off March 2024 Senior Note maturity with cash on hand
- Remaining share repurchase authorization was $276 million
  - Opportunistically repurchased 14.7 million shares for $380 million over the last 18 months

Debt Maturity Summary as of Q2 2023 (in Millions)



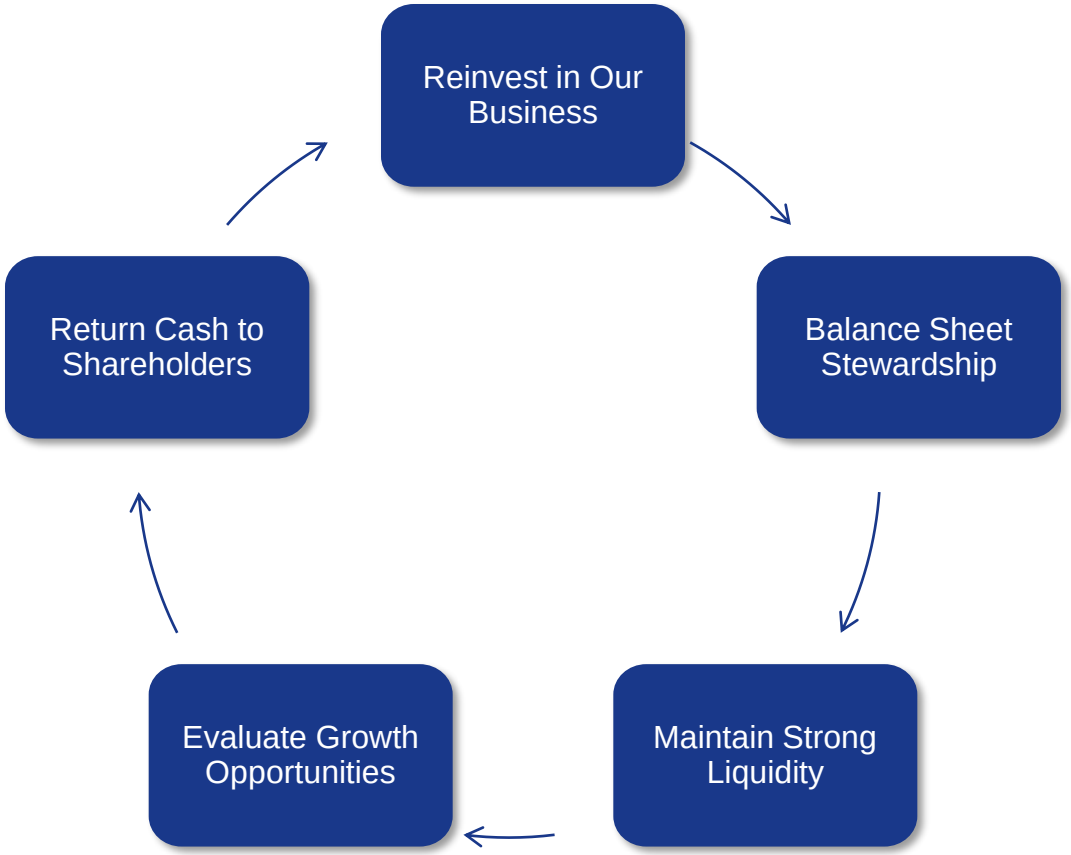
Annual Share Repurchases (in Millions)



TaylorMorrison

Capital Allocation Balances Liquidity, Growth and Returns

- Balanced capital allocation strategy aims to deliver shareholder returns over the course of a housing cycle
- Significant investment to achieve and maintain critical scale and diversification
- Prudent balance sheet management prioritizes liquidity
- Opportunistic return of capital to shareholders through share repurchases



In 2022,

$1.1B
Operating Cash Flow Generated

$1.6B
Invested in Homebuilding Land and Development

$710M
Gross Debt Reduction

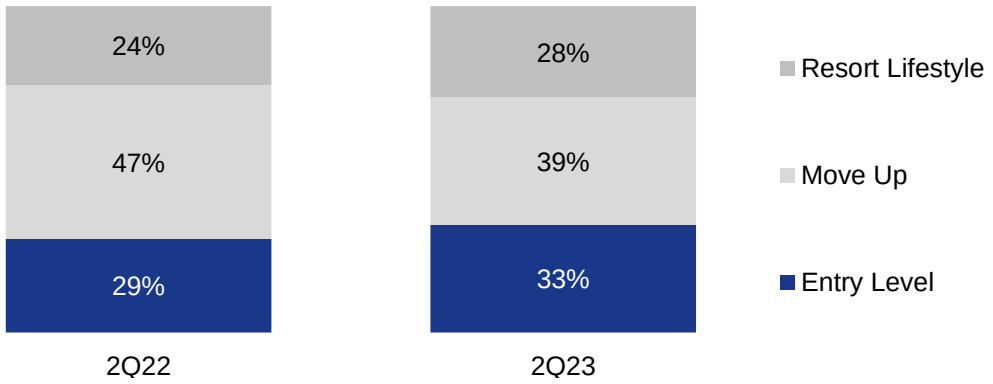
$376M
Share Repurchases

$1.8B
Year-End Liquidity

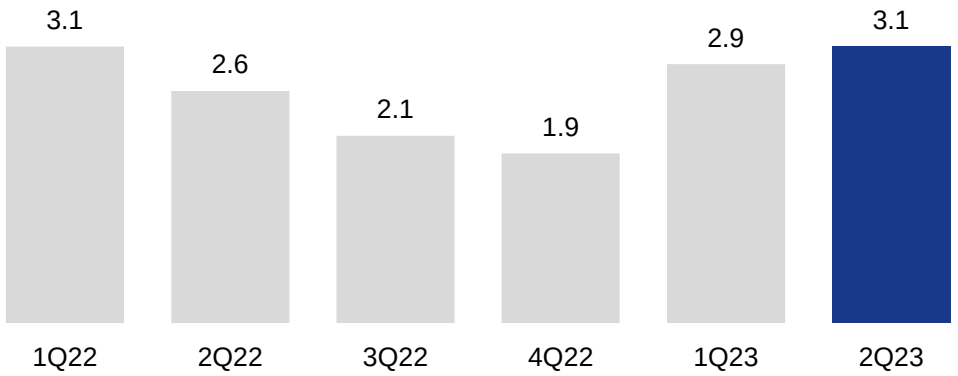
TaylorMorrison

Diverse Product Portfolio Serves All Major Buyer Groups

Net Sales Orders by Consumer Type



Monthly Net Sales Orders per Community













TaylorMorrison

Financial Services

Q2 2023 Highlights

Borrower Snapshot

- 753 Average FICO Score
- 76% Average LTV Ratio
- $480,000 Loan Amount
- 41% First-Time Homebuyers

Unit Product Mix

- 77% Conventional
- 20% Government
- 3% Jumbo

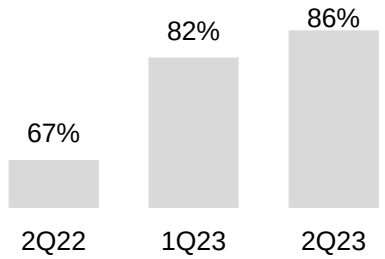
Suite of Services

- Mortgage Lending
- Title Insurance
- Homeowners' Insurance
- Joint Venture Platform

Benefits

- Pre-Qualification of Nearly All Buyers
- Valuable Backlog Management
- Enhanced Customer Experience
- Servicing Platform Flexibility
- Positive Financial Contribution

Capture Rate



Financial Performance

- $42 Million Revenue
- $17 Million Gross Profit
- 39.5% Gross Margin

Dorothy

Integrated digital technology simplifies the mortgage process for borrowers and streamlines operations

ARQ
ABLE. READY. OWN.

Borrower qualification-improvement program provides meaningful improvement in credit worthiness and homebuyer education

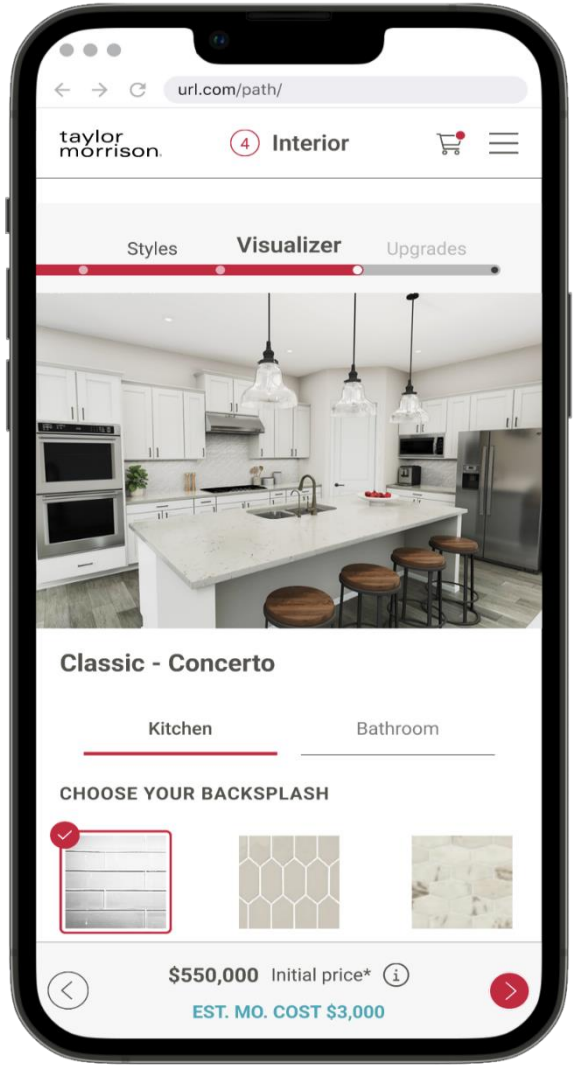
TaylorMorrison

Innovative Digital Sales Capabilities Driving Efficiencies

Oct. 2020 — **Quick Move-In Reservation System Launch**
Shoppers can reserve spec homes with an online shopping cart

March 2021 — **To-Be-Built 1.0 Reservation System Launch**
Shoppers can choose their lot, floorplan and exterior selections

Oct. 2022 — **To-Be-Built 2.0 Reservation System Upgrade**
Shoppers can choose structural options, interior design packages and upgrades



For online reservations made in 2Q23:

47% Sales conversion rate

16% Sales contribution

TaylorMorrison

2022 ESG Highlights

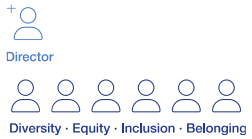
BUILDING FOR THE FUTURE

- Appointed our first Corporate Director of Sustainability to execute our sustainability strategy
- Measured our carbon footprint across our full value chain for 2020-22
- Safeguarded open spaces and promoted biodiversity in our communities with the National Wildlife Federation
- Introduced new construction quality standards to enhance production efficiency

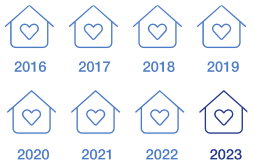
PEOPLE FIRST



Awarded a spot on **Bloomberg's** Gender-Equality Index for the fourth consecutive year (and for the fifth time in 2023)



Expanded our diversity, equity and inclusion program to include belonging and appointed our first Director of DEIB and Talent Acquisition



Earned **America's Most** Trusted® Home Builder for an unprecedented seven consecutive years (and for the eighth time in 2023)

TRANSPARENCY & ACCOUNTABILITY

- Launched a Board Fellowship Program to provide talented business leaders from diverse backgrounds with real-world public board experience
- Introduced an external security operations center to complement and strengthen our internal cybersecurity operations
- Hosted our first Governance Roadshow to engage with our shareholders on key ESG topics

Learn more about our commitment to ESG progress and transparency in our latest ESG Report.

TaylorMorrison

Appendix

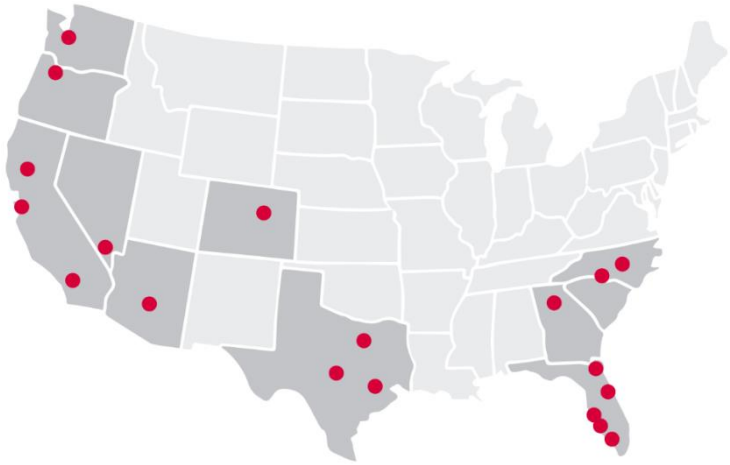
About Taylor Morrison

Headquartered in Scottsdale, Arizona, Taylor Morrison (NYSE:TMHC) is a leading land developer and homebuilder with operations in 19 housing markets across 11 states.

We serve a wide array of homebuyers with our diverse product portfolio, including entry level, move up and resort lifestyle consumers.

In addition, we develop lifestyle-oriented horizontal apartment communities that meet the need of rental households. Our Financial Services segment offers mortgage financing, title services and homeowners' insurance.

Backed by a homebuilding legacy of over 100 years, we are committed to sustainability, our communities and our team. This commitment has helped us earn the distinction of America's Most Trusted® Builder by Lifestory Research from 2016 to 2023.



West
Bay Area
Portland
Sacramento
Seattle
Southern California

Central
Austin
Dallas-Fort Worth
Denver
Las Vegas
Phoenix
Houston

East
Atlanta
Charlotte
Fort Myers-Naples
Jacksonville
Orlando
Raleigh
Sarasota
Tampa

taylor morrison. ESPLANADE. YARDLY™

taylor morrison. HOME FUNDING INSPIRED TITLE SERVICES

Bloomberg Gender-Equality Index 2023 Member

America's Most Responsible Companies 2023 Newsweek statista

Best-Managed Companies The Wall Street Journal 2022 Best-Managed Companies

Lifestory Research America's Most Trusted National Home Builder 2016 - 2023

Fortune 500 2022

TaylorMorrison.

Transformational Journey Delivered Scale and Diversification

Regional M&A and Strategic Refinement → Enhanced Public Market Liquidity → Large Scale M&A → Operational Effectiveness

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Milestones	$722M IPO marked largest in NYSE homebuilding history Acquired Darling Homes (Houston and Dallas)	Sold Canadian operations	Acquired JEH Homes (Atlanta) and three divisions of Orlean Homes (Charlotte, Raleigh, Chicago)	Acquired Acadia Homes (Atlanta)	Increased public float to 70% from 25% through divestiture of private equity sponsors' ownership	Became a fully-floated public company following exit of former private equity owners Acquired AV Homes, adding scale to AZ, TX and Carolinas markets and entrance into Jacksonville	Entered the growing Build-to-Rent business in which we develop innovative horizontal apartment communities	Acquired William Lyon Homes, adding scale to AZ, CA and TX markets and entrance into WA, OR and NV Sold Chicago operations	Debuted on the Fortune 500 List	Achieved record high profitability metrics, including a 24% ROE, 25% home closing gross margin and $42 book value per share Recognized as **America's** Most Trusted Builder for the seventh consecutive year, and again in 2023
Home Closings	4,716	5,642	6,311	7,369	8,032	8,760	9,964	12,524	13,699	12,647

Historical Operating Data by Region

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q2 2023 vs Q2 2022
Net Sales Orders													
East	1,777	1,302	1,279	1,037	5,395	1,027	1,121	1,041	939	4,128	1,079	1,047	(7%)
Central	1,072	850	921	957	3,800	887	642	450	310	2,289	674	808	26%
West	1,643	1,270	1,172	1,130	5,215	1,140	791	578	561	3,070	1,101	1,168	48%
TMHC	4,492	3,422	3,372	3,124	14,410	3,054	2,554	2,069	1,810	9,487	2,854	3,023	18%
Homes Closed													
East	1,052	1,245	1,167	1,547	5,011	937	1,097	1,118	1,612	4,764	1,004	1,228	12%
Central	691	791	764	1,165	3,411	664	778	835	1,082	3,359	731	936	20%
West	1,078	1,232	1,396	1,571	5,277	1,167	1,157	1,097	1,103	4,524	806	961	(17%)
TMHC	2,821	3,268	3,327	4,283	13,699	2,768	3,032	3,050	3,797	12,647	2,541	3,125	3%
Home Closings Revenue													
East	$446	$563	$555	$795	$2,359	$506	$613	$638	$917	$2,674	$602	$732	19%
Central	$320	$383	$399	$628	$1,730	$369	$457	$522	$667	$2,015	$463	$613	34%
West	$597	$698	$819	$968	$3,082	$770	$813	$823	$795	$3,201	$548	$652	(20%)
TMHC	$1,363	$1,644	$1,772	$2,391	$7,171	$1,644	$1,883	$1,984	$2,378	$7,889	$1,613	$1,997	6%
Home Closings Gross Margin													
East	18.8%	20.6%	22.7%	22.7%	21.5%	24.5%	27.3%	27.9%	26.3%	26.6%	27.5%	27.8%	50
Central	20.2%	18.5%	19.6%	19.9%	19.6%	19.9%	25.7%	27.0%	24.1%	24.4%	24.0%	26.1%	40
West	17.5%	18.1%	20.9%	21.7%	19.9%	23.6%	26.6%	27.5%	19.7%	24.4%	19.9%	18.3%	(840)
TMHC	18.6%	19.1%	21.2%	21.6%	20.3%	23.1%	26.6%	27.5%	23.5%	25.2%	23.9%	24.2%	(240)
Sales Order Backlog													
East	3,560	3,617	3,729	3,219	3,219	3,309	3,333	3,256	2,583	2,583	2,658	2,477	(26%)
Central	2,779	2,838	2,995	2,787	2,787	3,010	2,874	2,489	1,717	1,717	1,660	1,532	(47%)
West	3,735	3,773	3,549	3,108	3,108	3,081	2,715	2,196	1,654	1,654	1,949	2,156	(21%)
TMHC	10,074	10,228	10,273	9,114	9,114	9,400	8,922	7,941	5,954	5,954	6,267	6,165	(31%)
Backlog Value													
East	$1,753	$1,903	$2,091	$1,902	$1,902	$2,003	$2,120	$2,122	$1,733	$1,733	$1,776	$1,627	(23%)
Central	$1,463	$1,582	$1,760	$1,748	$1,748	$1,963	$1,949	$1,694	$1,211	$1,211	$1,133	$1,009	(48%)
West	$2,120	$2,251	$2,273	$2,107	$2,107	$2,233	$2,031	$1,580	$1,119	$1,119	$1,328	$1,458	(28%)
TMHC	$5,337	$5,736	$6,124	$5,757	$5,757	$6,198	$6,100	$5,396	$4,064	$4,064	$4,237	$4,094	(33%)

Note: Dollars in millions, unless noted. Totals may not sum due to rounding.

TaylorMorrison



Disclosures

Reconciliation of Non-GAAP Measures

Debt to Capitalization Ratios Reconciliation

($ in thousands)	As of June 30, 2023	As of March 31, 2023	As of June 30, 2022
Total debt	$ 2,393,571	$ 2,301,878	$ 2,950,744
Plus: unamortized debt issuance cost, net	9,613	10,193	11,891
Less: mortgage warehouse borrowings	$ (249,898)	(146,334)	(179,555)
Total homebuilding debt	**$ 2,153,286**	**$ 2,165,737**	**$ 2,783,080**
Total equity	5,095,313	4,846,546	4,193,895
Total capitalization	**$ 7,248,599**	**$ 7,012,283**	**$ 6,976,975**
Total homebuilding debt to capitalization ratio	**29.7%**	**30.9%**	**39.9%**
Total homebuilding debt	**$ 2,153,286**	**$ 2,165,737**	**$ 2,783,080**
Less: cash and cash equivalents	(1,227,264)	(877,717)	(378,340)
Net homebuilding debt	**$ 926,022**	**$ 1,288,020**	**$ 2,404,740**
Total equity	5,095,313	4,846,546	4,193,895
Total capitalization	**$ 6,021,335**	**$ 6,134,566**	**$ 6,598,635**
Net homebuilding debt to capitalization ratio	**15.4%**	**21.0%**	**36.4%**

In addition to the results reported in accordance with accounting principles generally accepted in the United States (“GAAP”), we have provided information in this presentation relating to net homebuilding debt to capitalization ratio. Net homebuilding debt to capitalization ratio is a non-GAAP financial measure we calculate by dividing (i) total debt, plus unamortized debt issuance cost/(premium), net, and less mortgage warehouse borrowings, net of unrestricted cash and cash equivalents (“net homebuilding debt”), by (ii) total capitalization (the sum of net homebuilding debt and total stockholders’ equity).

We use the ratio of net homebuilding debt to total capitalization as an indicator of overall leverage and to evaluate our performance against other companies in the homebuilding industry. In the future, we may include additional adjustments to the extent we deem them appropriate and useful to management and investors.

Because we use the ratio of net homebuilding debt to total capitalization to evaluate our performance against other companies in the homebuilding industry, we believe this measure is also relevant and useful to investors for that reason. Our non-GAAP financial measures should be considered in addition to, rather than as a substitute for, the comparable U.S. GAAP financial measures of our operating performance or liquidity. Although other companies in the homebuilding industry may report similar information, their definitions may differ. We urge investors to understand the methods used by other companies to calculate similarly-titled non-GAAP financial measures before comparing their measures to ours.

TaylorMorrison

Forward-Looking Statements

This earnings summary includes “forward-looking statements.” These statements are subject to a number of risks, uncertainties and other factors that could cause our actual results, performance, prospects or opportunities, as well as those of the markets we serve or intend to serve, to differ materially from those expressed in, or implied by, these statements. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events. Generally, the words ““anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “may,” “will,” “can,” “could,” “might,” “should” and similar expressions identify forward-looking statements, including statements related to expected financial, operating and performance results, planned transactions, planned objectives of management, future developments or conditions in the industries in which we participate and other trends, developments and uncertainties that may affect our business in the future.

Such risks, uncertainties and other factors include, among other things: inflation or deflation; changes in general and local economic conditions; slowdowns or severe downturns in the housing market; homebuyers’ ability to obtain suitable financing; increases in interest rates, taxes or government fees; shortages in, disruptions of and cost of labor; higher cancellation rates of existing agreements of sale; competition in our industry; any increase in unemployment or underemployment; the scale and scope of the ongoing COVID-19 pandemic; the seasonality of our business; the physical impacts of climate change and the increased focus by third-parties on sustainability issues; our ability to obtain additional performance, payment and completion surety bonds and letters of credit; significant home warranty and construction defect claims; our reliance on subcontractors; failure to manage land acquisitions, inventory and development and construction processes; availability of land and lots at competitive prices; decreases in the market value of our land inventory; new or changing government regulations and legal challenges; our compliance with environmental laws and regulations regarding climate change; our ability to sell mortgages we originate and claims on loans sold to third parties; governmental regulation applicable to our financial services and title services business; the loss of any of our important commercial lender relationships; our ability to use deferred tax assets; raw materials and building supply shortages and price fluctuations; our concentration of significant operations in certain geographic areas; risks associated with our unconsolidated joint venture arrangements; information technology failures and data security breaches; costs to engage in and the success of future growth or expansion of our operations or acquisitions or disposals of businesses; costs associated with our defined benefit and defined contribution pension schemes; damages associated with any major health and safety incident; our ownership, leasing or occupation of land and the use of hazardous materials; existing or future litigation, arbitration or other claims; negative publicity or poor relations with the residents of our communities; failure to recruit, retain and develop highly skilled, competent people; utility and resource shortages or rate fluctuations; constriction of the capital markets; risks related to instability in the banking system as result of several recent bank failures; risks related to our substantial debt and the agreements governing such debt, including restrictive covenants contained in such agreements; our ability to access the capital markets; the risks associated with maintaining effective internal controls over financial reporting; provisions in our charter and bylaws that may delay or prevent an acquisition by a third party; and our ability to effectively manage our expanded operations.

In addition, other such risks and uncertainties may be found in our most recent annual report on Form 10-K and our subsequent quarterly reports filed with the Securities and Exchange Commission (SEC) as such factors may be updated from time to time in our periodic filings with the SEC. We undertake no duty to update any forward-looking statement, whether as a result of new information, future events or changes in our expectations, except as required by applicable law.

Investor Relations Contact
Mackenzie Aron
Vice President, Investor Relations
(480) 734-2060
investor@taylormorrison.com

TaylorMorrison