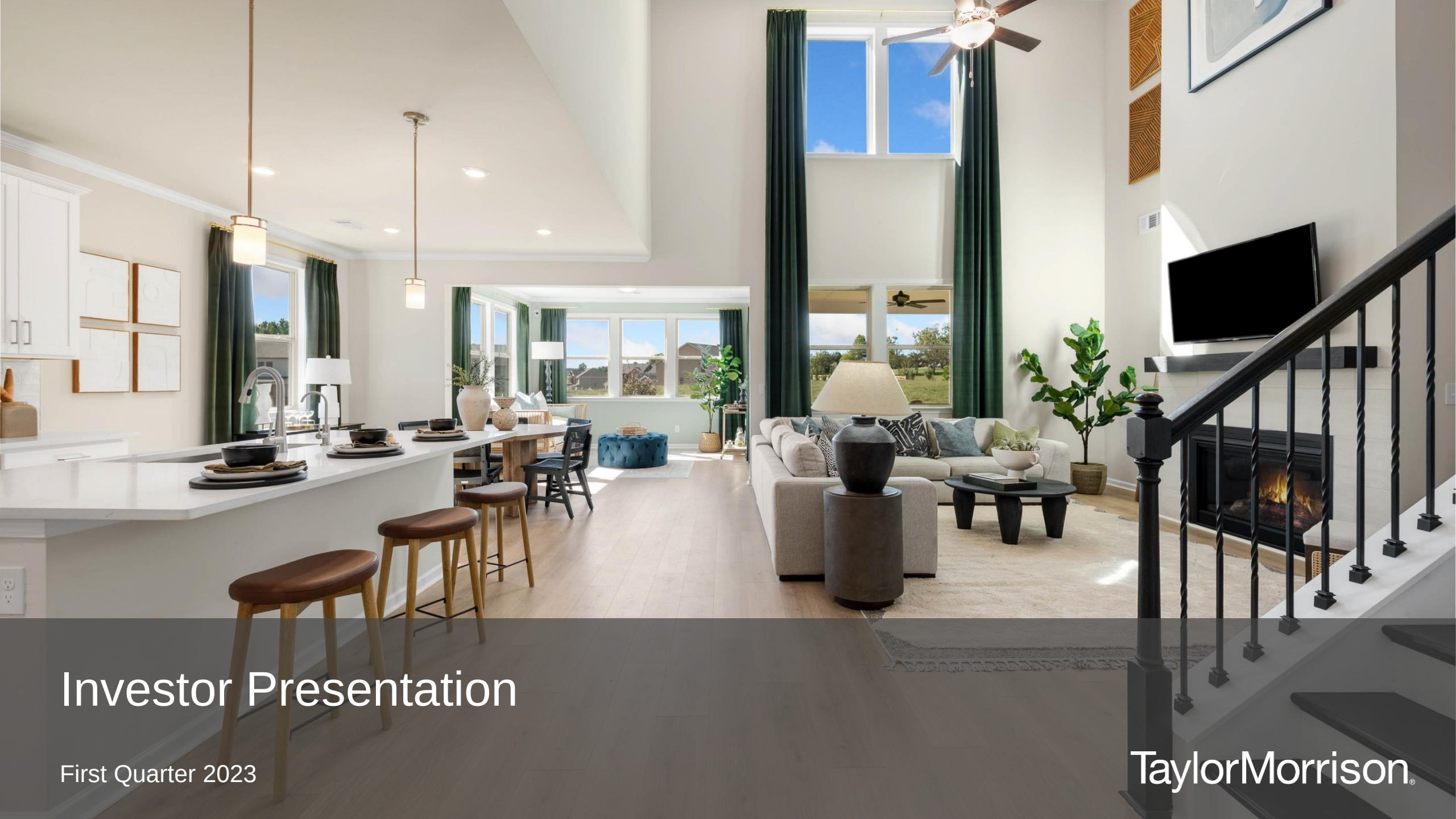


Investor Presentation

First Quarter 2023

TaylorMorrison®

At a Glance

as of 2022

$8.2 billion

total revenue

12,647

home closings

19

operating markets

as of the first quarter 2023

73,000

homebuilding lots owned & controlled

5.9 years

total homebuilding lot supply (3.5 years owned)

324

active selling communities

$635,000

average home closing price

23.9%

return on equity

$2.0 billion

total liquidity

TaylorMorrison

Key Metric Comparison

Operating Statistics	Q1 2023	Q1 2022	Year-Over-Year Change
Net Sales Orders	**2,854**	3,054	(7%)
Net Sales Orders Average Sales Price (in Thousands)	**$626**	$683	(8%)
Cancellation Rate (% of Gross Sales Orders)	**14.0%**	6.4%	770 bps
Home Closings	**2,541**	2,768	(8%)
Home Closings Average Sales Price (in Thousands)	**$635**	$594	7%
Backlog Units	**6,267**	9,400	(33%)
Backlog Value	**$4,237**	$6,198	(32%)
Income Statement Metrics			
Home Closings Revenue	**$1,613**	$1,644	(2%)
Total Revenue	**$1,662**	$1,703	(2%)
Home Closings Gross Margin	**23.9%**	23.1%	80 bps
SG&A % of Home Closings Revenue	**9.9%**	9.6%	26 bps
Earnings per Diluted Share	**$1.74**	$1.44	21%
Balance Sheet Metrics			
Cash and Equivalents	**$878**	$569	54%
Stockholders' Equity	**$4,847**	$4,095	18%
Book Value per Diluted Share	**$44.04**	$33.38	32%
Homebuilding Net Debt-to-Capitalization	**21.0%**	35.7%	(1,470) bps

Note: Dollars in Millions, Unless Noted.

TaylorMorrison

Second Quarter and Full Year 2023 Guidance Metrics

	Second Quarter 2023	Full Year 2023
Ending Active Community Count	320 to 325	320 to 325
Home Closings	2,600 to 2,700	10,000 to 11,000
Average Sales Price	$630,000 to $635,000	Around $625,000
GAAP Home Closings Gross Margin	23.0% to 23.5%	Approximately 23%
SG&A % of Home Closings Revenue	Not Provided	High-9% Range
Effective Tax Rate	Approximately 25%	Approximately 25%
Diluted Share Count	Approximately 110 Million	Approximately 110 Million
Homebuilding Land & Development Spend	Not Provided	Around $1.6 Billion

Note: Outlook issued April 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

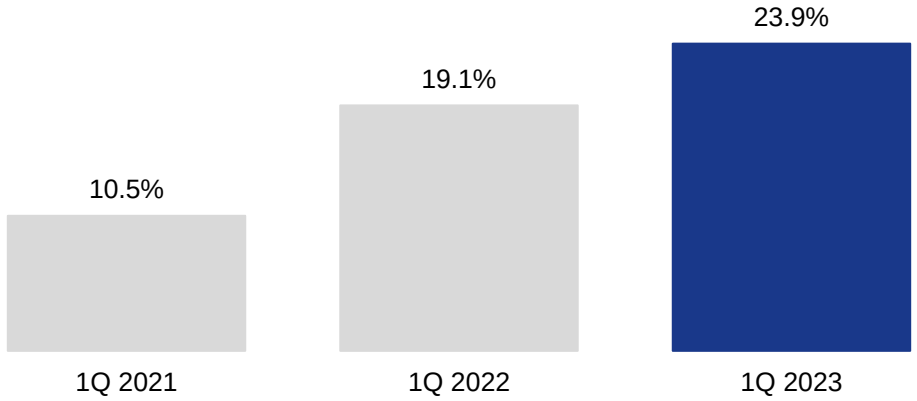
Balanced Capital Allocation

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

Home Closings Gross Margin



Return on Equity(1)



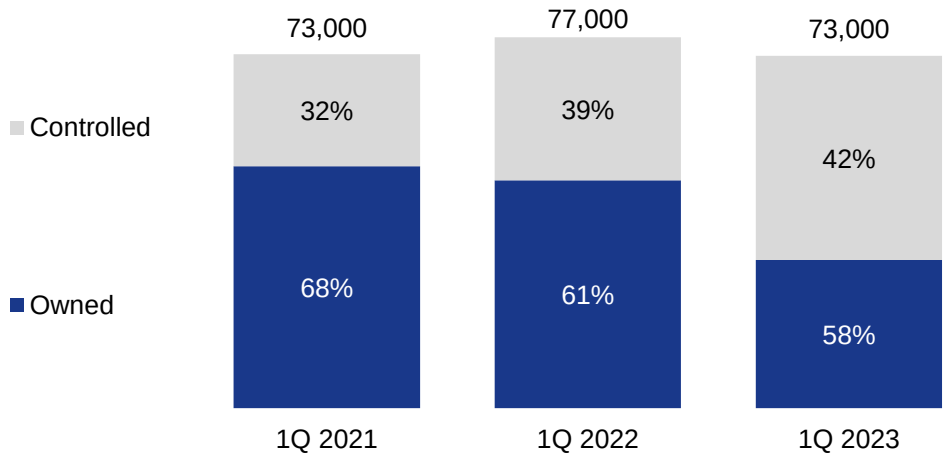
Note: (1) ROE equals TTM net income divided by average stockholder’s equity in the current and prior-year period.

Opportunistic Land Investment Enabled by Strong Lot Portfolio

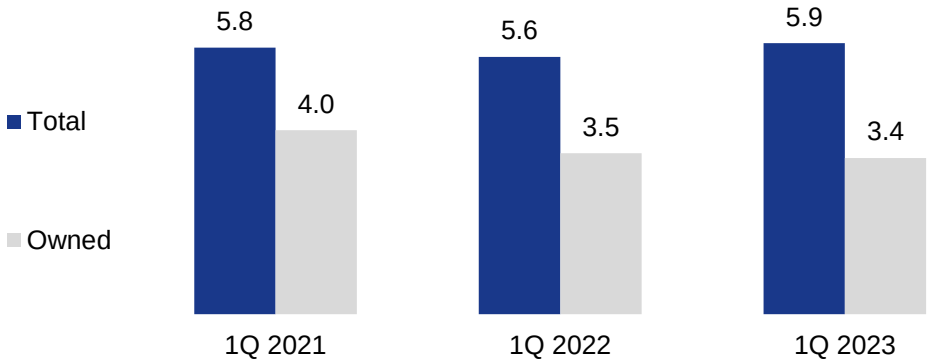
Q1 2023 Highlights

- Disciplined land investment strategy focuses on prime land locations in core submarkets
- 73,000 owned and controlled homebuilding lots
  - Ability to be patient and opportunistic with new land acquisitions given well-vintaged lot supply
  - Approximately 55% of owned lots were contracted in 2020 or earlier
  - Selectively targeting land-lighter investment tools to balance cost of capital with expected returns
- We have significantly moderated our pace of land investment in response to softer market conditions
  - 1Q total homebuilding land spend of $321 million was down from $394 million a year ago. Development accounted for 68% versus 51% a year ago.
  - Full-year total homebuilding land spend in 2023 is expected to be similar to 2022 around $1.6 billion

Homebuilding Lot Supply



Years of Homebuilding Lot Supply(1)



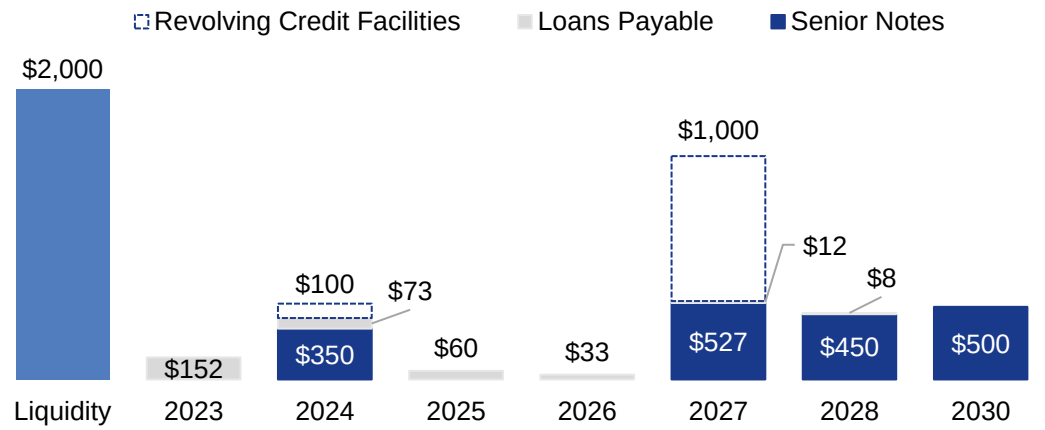
Note: (1) Based on trailing twelve-month home closings.

Well-Capitalized Balance Sheet Provides Financial Flexibility

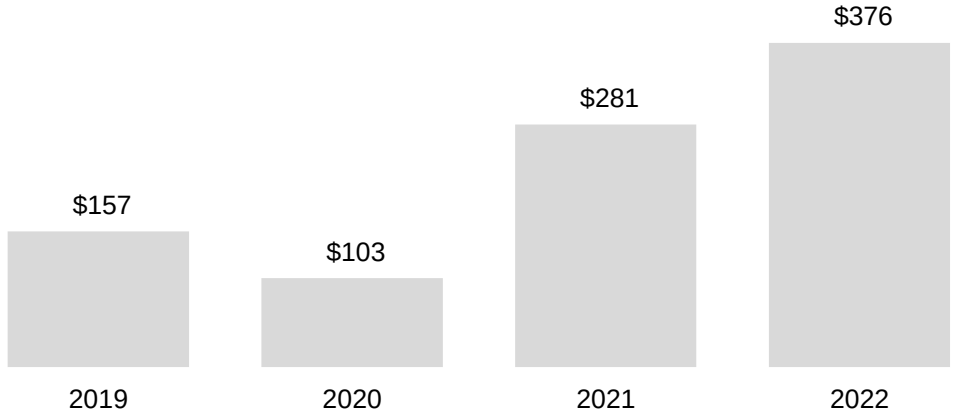
Q1 2023 Highlights

- $2.0 billion total available liquidity
  - $878 million unrestricted cash
  - $1.1 billion total revolving credit facility capacity, which was undrawn outside of normal course letters of credit
- 21.0% net homebuilding debt-to-capital ratio
  - Down from 35.7% a year ago
- Repurchased 109,000 shares outstanding for $4 million in 1Q
  - Remaining repurchase authorization was $276 million
  - In 2022, repurchases totaled 14.6 million shares for $376 million, which reduced diluted shares outstanding by approximately 12%

Debt Maturity Summary as of Q1 2023 (in Millions)



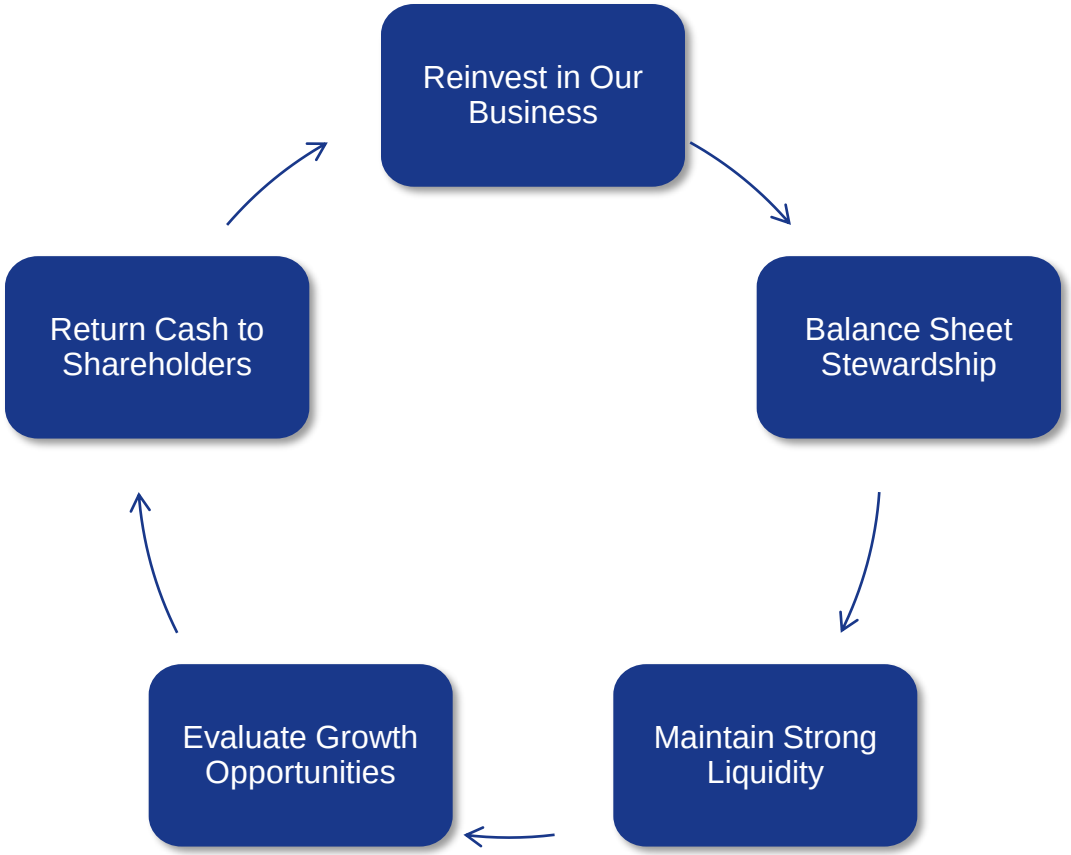
Annual Share Repurchases (in Millions)



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 in organic and non-organic growth 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

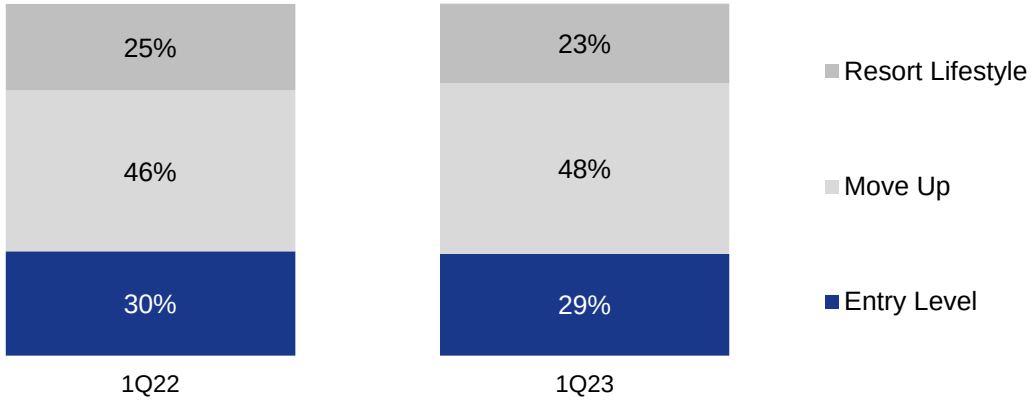
$376M
Share Repurchases

$1.8B
Year-End Liquidity

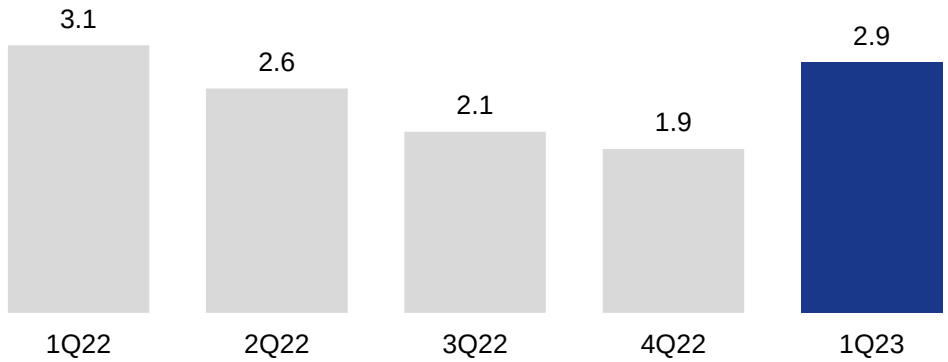
TaylorMorrison

Diverse Product Portfolio Serves All Major Buyer Groups

Net Sales Orders by Consumer Type



Monthly Net Sales Orders per Community













Financial Services

Q1 2023 Highlights

Borrower Snapshot

- 756 Average FICO Score
- 75% Average LTV Ratio
- $469,000 Loan Amount
- 38% First-Time Homebuyers

Unit Product Mix

- 82% Conventional
- 16% Government
- 2% Jumbo

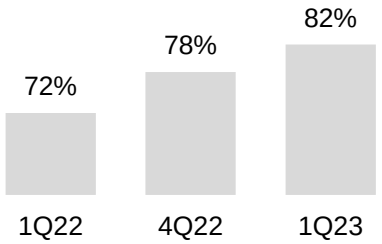
Suite of Services

- 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

- $35 Million Revenue
- $13 Million Gross Profit
- 37.0% 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

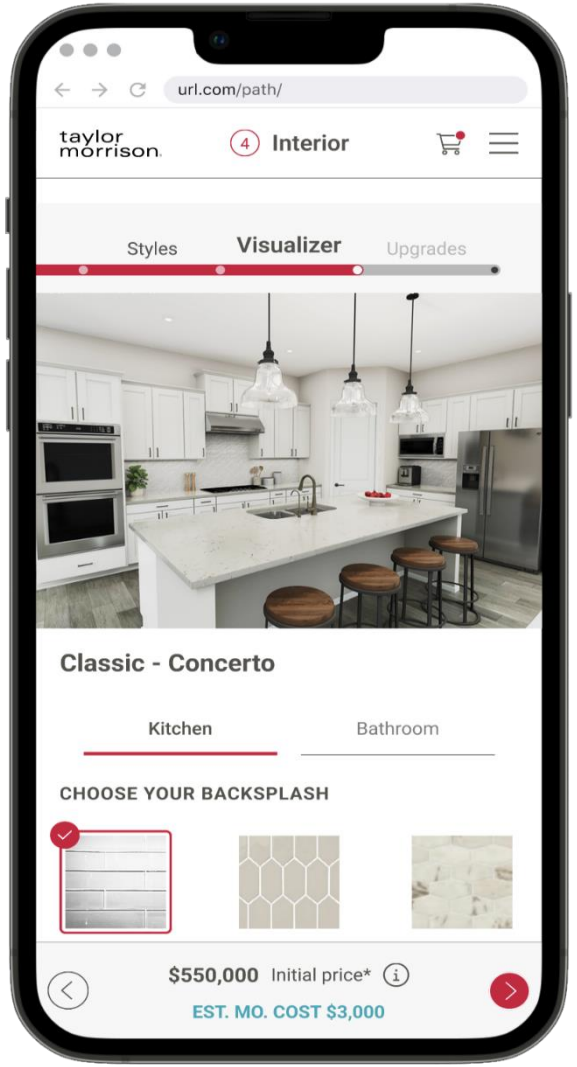
TaylorMorrison

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



2022 online reservations by the numbers

32% Conversion rate, our highest lead source

12% Sales driven by an online reservation

70% Reservations made by consumers prior to visiting the community in-person

TaylorMorrison

Committed to Ongoing ESG Progress and Transparency

2019



Published inaugural **ESG Report**

Launched exclusive relationship with the **National Wildlife Federation** to restore wildlife habitat and promote sustainable land development in our communities

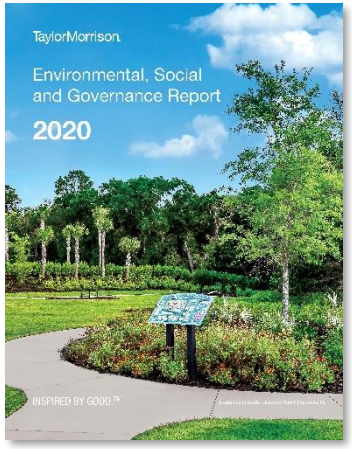
2020



Became a founding partner of the **Building Talent Foundation** to support a more diverse and resilient housing workforce

Launched the **TM LiveWell** suite of advanced air, water and paint products in all our homes to promote healthier living

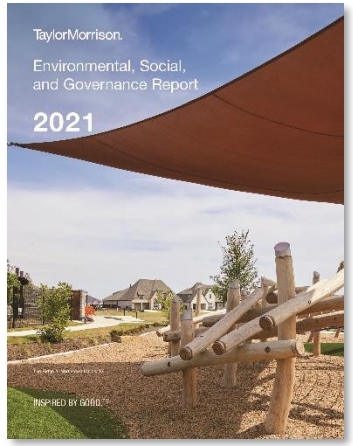
2021



Established **Diversity, Equity and Inclusion** Steering Committees

Expanded diverse employee recruitment efforts, including a new partnership with **WayUp** targeting diverse college candidates and our **Voyager** training program focused on supporting military veterans

2022



Announced intention to measure our **greenhouse gas** emissions baseline

Dedicated more resources to developing our long-term **climate strategy**, including the establishment of a full-time Director of Sustainability role to lead our environmental initiatives

SASB

GRI Empowering Sustainable Decisions

SUSTAINABLE DEVELOPMENT GOALS

TaylorMorrison.

Introducing a First-of-its-Kind Board Fellowship

Recognizing the importance of greater board diversity, we are proud to have created a first-of-its-kind board fellowship program to grant board training opportunities to under-represented diverse candidates.

The fellowship begins with the appointment of two diverse senior business leaders, **Hannah Choi Granade** and **Michelle Sourie Robinson**, for a one-year term effective Feb. 15, 2023.

The program will provide board experience to participants, which is expected to bolster their opportunities to secure a formal appointment as a director at other public companies while bringing diverse experiences and perspectives to Taylor Morrison's board.

Introducing Our 2023 Fellows



Hannah Choi Granade
Technology and digital transformation expert



Michelle Sourie Robinson
Strategic operations and DEI expert

TaylorMorrison

Appendix

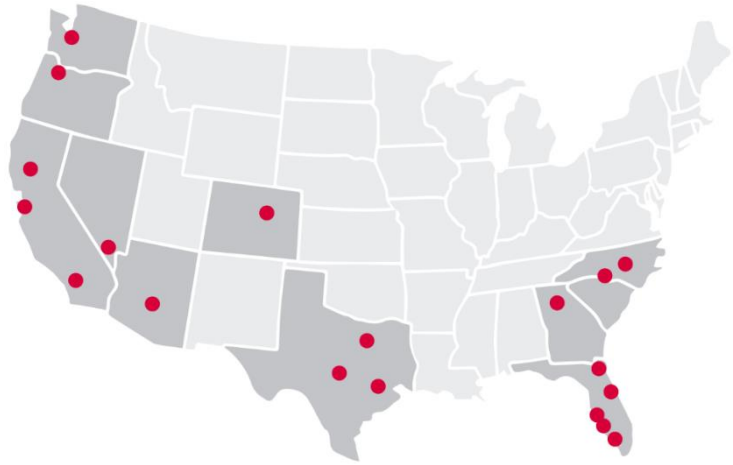
About Taylor Morrison

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 January 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	Q1 2023 vs Q1 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	5%
Central	1,072	850	921	957	3,800	887	642	450	310	2,289	674	(24%)
West	1,643	1,270	1,172	1,130	5,215	1,140	791	578	561	3,070	1,101	(3%)
TMHC	**4,492**	**3,422**	**3,372**	**3,124**	**14,410**	**3,054**	**2,554**	**2,069**	**1,810**	**9,487**	**2,854**	**(7%)**
Homes Closed												
East	1,052	1,245	1,167	1,547	5,011	937	1,097	1,118	1,612	4,764	1,004	7%
Central	691	791	764	1,165	3,411	664	778	835	1,082	3,359	731	10%
West	1,078	1,232	1,396	1,571	5,277	1,167	1,157	1,097	1,103	4,524	806	(31%)
TMHC	**2,821**	**3,268**	**3,327**	**4,283**	**13,699**	**2,768**	**3,032**	**3,050**	**3,797**	**12,647**	**2,541**	**(8%)**
Home Closings Revenue												
East	$446	$563	$555	$795	$2,359	$506	$613	$638	$917	$2,674	$602	19%
Central	$320	$383	$399	$628	$1,730	$369	$457	$522	$667	$2,015	$463	26%
West	$597	$698	$819	$968	$3,082	$770	$813	$823	$795	$3,201	$548	(29%)
TMHC	**$1,363**	**$1,644**	**$1,772**	**$2,391**	**$7,171**	**$1,644**	**$1,883**	**$1,984**	**$2,378**	**$7,889**	**$1,613**	**(2%)**
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%	300 bps
Central	20.2%	18.5%	19.6%	19.9%	19.6%	19.9%	25.7%	27.0%	24.1%	24.4%	24.0%	410 bps
West	17.5%	18.1%	20.9%	21.7%	19.9%	23.6%	26.6%	27.5%	19.7%	24.4%	19.9%	(370) bps
TMHC	**18.6%**	**19.1%**	**21.2%**	**21.6%**	**20.3%**	**23.1%**	**26.6%**	**27.5%**	**23.5%**	**25.2%**	**23.9%**	**80 bps**
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	(20%)
Central	2,779	2,838	2,995	2,787	2,787	3,010	2,874	2,489	1,717	1,717	1,660	(45%)
West	3,735	3,773	3,549	3,108	3,108	3,081	2,715	2,196	1,654	1,654	1,949	(37%)
TMHC	**10,074**	**10,228**	**10,273**	**9,114**	**9,114**	**9,400**	**8,922**	**7,941**	**5,954**	**5,954**	**6,267**	**(33%)**
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	(11%)
Central	$1,463	$1,582	$1,760	$1,748	$1,748	$1,963	$1,949	$1,694	$1,211	$1,211	$1,133	(42%)
West	$2,120	$2,251	$2,273	$2,107	$2,107	$2,233	$2,031	$1,580	$1,119	$1,119	$1,328	(41%)
TMHC	**$5,337**	**$5,736**	**$6,124**	**$5,757**	**$5,757**	**$6,198**	**$6,100**	**$5,396**	**$4,064**	**$4,064**	**$4,237**	**(32%)**

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

TaylorMorrison



Disclosures

Reconciliation of Non-GAAP Measures

($ in thousands)	As of March 31, 2023	As of December 31, 2022	As of March 31, 2022
Total debt	$ 2,301,878	$ 2,483,861	$ 3,048,373
Plus: unamortized debt issuance cost/(premium), net	10,193	10,767	(2,311)
Less: mortgage warehouse borrowings	$ (146,334)	(306,072)	(200,662)
Total homebuilding debt	$ 2,165,737	$ 2,188,556	$ 2,845,400
Total equity	4,846,546	4,646,859	4,094,798
Total capitalization	$ 7,012,283	$ 6,835,415	$ 6,940,198
Total homebuilding debt to capitalization ratio	30.9%	32.0%	41.0%
Total homebuilding debt	$ 2,165,737	$ 2,188,556	$ 2,845,400
Less: cash and cash equivalents	(877,717)	(724,488)	(569,249)
Net homebuilding debt	$ 1,288,020	$ 1,464,068	$ 2,276,151
Total equity	4,846,546	4,646,859	4,094,798
Total capitalization	$ 6,134,566	$ 6,110,927	$ 6,370,949
Net homebuilding debt to capitalization ratio	21.0%	24.0%	35.7%

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, 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