

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-35873

TAYLOR MORRISON HOME CORPORATION
(Exact name of registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

4900 N. Scottsdale Road, Suite 2000
Scottsdale, Arizona
(Address of principal executive offices)

83-2026677
(I.R.S. Employer
Identification No.)

85251
(Zip Code)

(480) 840-8100
(Registrant's telephone number, including area code)
N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|-----------------------------------|-------------------|---|
| Common Stock, \$0.00001 par value | TMHC | New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large Accelerated Filer | <input checked="" type="checkbox"/> | Accelerated filer | <input type="checkbox"/> |
| Non-accelerated filer | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |
| | | Emerging growth company | <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

| Class | Outstanding as of July 23, 2025 |
|-----------------------------------|---------------------------------|
| Common stock, \$0.00001 par value | 98,843,205 |

TAYLOR MORRISON HOME CORPORATION

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TAYLOR MORRISON HOME CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, unaudited)

| | June 30, 2025 | December 31, 2024 |
|--|---------------------|----------------------|
| Assets | | |
| Cash and cash equivalents | \$ 130,174 | \$ 487,151 |
| Restricted cash | 4,090 | 15 |
| Total cash | 134,264 | 487,166 |
| Real estate inventory: | | |
| Owned inventory | 6,411,667 | 6,162,889 |
| Consolidated real estate not owned | 94,195 | 71,195 |
| Total real estate inventory | 6,505,862 | 6,234,084 |
| Land deposits | 352,395 | 299,668 |
| Mortgage loans held for sale | 220,210 | 207,936 |
| Lease right of use assets | 64,325 | 68,057 |
| Prepaid expenses and other assets, net | 449,971 | 370,642 |
| Other receivables, net | 240,998 | 217,703 |
| Investments in unconsolidated entities | 474,684 | 439,721 |
| Deferred tax assets, net | 76,248 | 76,248 |
| Property and equipment, net | 268,490 | 232,709 |
| Goodwill | 663,197 | 663,197 |
| Total assets | \$ 9,450,644 | \$ 9,297,131 |
| Liabilities | | |
| Accounts payable | \$ 311,578 | \$ 270,266 |
| Accrued expenses and other liabilities | 597,373 | 632,250 |
| Lease liabilities | 74,408 | 78,998 |
| Income taxes payable | — | 2,243 |
| Customer deposits | 211,486 | 239,151 |
| Estimated development liabilities | 4,365 | 4,365 |
| Senior notes, net | 1,471,333 | 1,470,454 |
| Loans payable and other borrowings | 456,725 | 475,569 |
| Revolving credit facility borrowings | — | — |
| Mortgage warehouse facilities borrowings | 171,319 | 174,460 |
| Liabilities attributable to consolidated real estate not owned | 94,195 | 71,195 |
| Total liabilities | 3,392,782 | 3,418,951 |
| COMMITMENTS AND CONTINGENCIES (Note 13) | | |
| Stockholders' equity | | |
| Total stockholders' equity | 6,057,862 | 5,878,180 |
| Total liabilities and stockholders' equity | \$ 9,450,644 | \$ 9,297,131 |

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements

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TAYLOR MORRISON HOME CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts, unaudited)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|-------------------|------------------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Home closings revenue, net | \$ 1,966,100 | \$ 1,920,127 | \$ 3,796,168 | \$ 3,556,382 |
| Land closings revenue | 421 | 13,234 | 4,682 | 20,459 |
| Financial services revenue, net | 52,929 | 48,916 | 104,122 | 95,875 |
| Amenity and other revenue | 10,620 | 8,776 | 21,117 | 18,089 |
| Total revenue | 2,030,070 | 1,991,053 | 3,926,089 | 3,690,805 |
| Cost of home closings | 1,526,900 | 1,462,706 | 2,918,260 | 2,705,915 |
| Cost of land closings | 207 | 18,703 | 3,696 | 23,905 |
| Financial services expenses | 25,876 | 28,106 | 54,197 | 53,249 |
| Amenity and other expenses | 9,599 | 9,250 | 19,174 | 18,603 |
| Total cost of revenue | 1,562,582 | 1,518,765 | 2,995,327 | 2,801,672 |
| Gross margin | 467,488 | 472,288 | 930,762 | 889,133 |
| Sales, commissions and other marketing costs | 116,389 | 113,956 | 225,465 | 216,556 |
| General and administrative expenses | 66,655 | 82,779 | 134,203 | 150,343 |
| Net income from unconsolidated entities | (326) | (2,628) | (2,301) | (5,379) |
| Interest expense, net | 13,819 | 4,087 | 22,318 | 4,044 |
| Other expense, net | 7,688 | 6,877 | 9,245 | 7,472 |
| Income before income taxes | 263,263 | 267,217 | 541,832 | 516,097 |
| Income tax provision | 67,278 | 67,303 | 132,116 | 125,022 |
| Net income before allocation to non-controlling interests | 195,985 | 199,914 | 409,716 | 391,075 |
| Net income attributable to non-controlling interests | (2,408) | (454) | (2,673) | (1,345) |
| Net income | \$ 193,577 | \$ 199,460 | \$ 407,043 | \$ 389,730 |
| Earnings per common share: | | | | |
| Basic | \$ 1.94 | \$ 1.89 | \$ 4.05 | \$ 3.68 |
| Diluted | \$ 1.92 | \$ 1.86 | \$ 3.99 | \$ 3.61 |
| Weighted average number of shares of common stock: | | | | |
| Basic | 99,537 | 105,500 | 100,387 | 105,979 |
| Diluted | 100,923 | 107,249 | 102,015 | 107,961 |

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements

TAYLOR MORRISON HOME CORPORATION 10-Q

TAYLOR MORRISON HOME CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(In thousands, except share data, unaudited)

For the three months ended June 30, 2025

| | Common Stock | | Additional Paid-in Capital | Treasury Stock | | Stockholders' Equity | | | |
|--|-------------------|-------------|----------------------------------|-------------------|-----------------------|----------------------|---|----------------------------------|----------------------------------|
| | Shares | Amount | Amount | Shares | Amount | Retained Earnings | Accumulated Other Comprehensive Income | Non- Controlling Interests | Total Stockholders' Equity |
| Balance — March 31, 2025 | 100,532,019 | \$ 1 | \$ 3,088,464 | 62,063,726 | \$ (1,752,286) | \$ 4,607,319 | \$ 2,509 | \$ 11,517 | \$ 5,957,524 |
| Net income | — | — | — | — | — | 193,577 | — | 2,408 | 195,985 |
| Exercise of stock options and issuance of restricted stock units, net ⁽¹⁾ | 32,681 | — | 641 | — | — | — | — | — | 641 |
| Repurchase of common stock ⁽²⁾ | (1,729,436) | — | — | 1,729,436 | (100,980) | — | — | — | (100,980) |
| Stock compensation expense | — | — | 8,015 | — | — | — | — | — | 8,015 |
| Distributions to non-controlling interests of consolidated joint ventures | — | — | — | — | — | — | — | (3,065) | (3,065) |
| Changes in non-controlling interests of consolidated joint ventures | — | — | — | — | — | — | — | (258) | (258) |
| Balance — June 30, 2025 | <u>98,835,264</u> | <u>\$ 1</u> | <u>\$ 3,097,120</u> | <u>63,793,162</u> | <u>\$ (1,853,266)</u> | <u>\$ 4,800,896</u> | <u>\$ 2,509</u> | <u>\$ 10,602</u> | <u>\$ 6,057,862</u> |

⁽¹⁾ Dollar amount includes \$0.7 million of stock options exercised netted with the value of shares withheld for taxes on the issuance of restricted stock units.

⁽²⁾ Dollar amount includes an incremental amount related to the 1% excise tax on share repurchases.

ITEM 1. FINANCIAL STATEMENTS

For the three months ended June 30, 2024

| | Common Stock | | Additional Paid-in Capital | Treasury Stock | | Stockholders' Equity | | | |
|--|--------------------|-------------|----------------------------------|-------------------|----------------------|----------------------|---|----------------------------------|----------------------------------|
| | Shares | Amount | Amount | Shares | Amount | Retained Earnings | Accumulated Other Comprehensive Income | Non- Controlling Interests | Total Stockholders' Equity |
| Balance — March 31, 2024 | 106,059,917 | \$ 1 | \$ 3,063,224 | 55,703,364 | \$(1,356,746) | \$ 3,700,814 | \$ 896 | \$ 17,979 | \$ 5,426,168 |
| Net income | — | — | — | — | — | 199,460 | — | 454 | 199,914 |
| Exercise of stock options and issuance of restricted stock units, net ⁽¹⁾ | 69,694 | — | 1,425 | — | — | — | — | — | 1,425 |
| Repurchase of common stock ⁽²⁾ | (1,703,803) | — | — | 1,703,803 | (106,870) | — | — | — | (106,870) |
| Stock compensation expense | — | — | 6,072 | — | — | — | — | — | 6,072 |
| Distributions to non-controlling interests of consolidated joint ventures | — | — | — | — | — | — | — | (167) | (167) |
| Balance — June 30, 2024 | <u>104,425,808</u> | <u>\$ 1</u> | <u>\$ 3,070,721</u> | <u>57,407,167</u> | <u>\$(1,463,616)</u> | <u>\$ 3,900,274</u> | <u>\$ 896</u> | <u>\$ 18,266</u> | <u>\$ 5,526,542</u> |

⁽¹⁾ Dollar amount includes \$1.5 million of stock options exercised netted with the value of shares withheld for taxes on the issuance of restricted stock units.

⁽²⁾ Dollar amount includes an incremental amount related to the 1% excise tax on share repurchases.

For the six months ended June 30, 2025

| | Common Stock | | Additional Paid-in Capital | Treasury Stock | | Stockholders' Equity | | | |
|--|-------------------|-------------|----------------------------------|-------------------|----------------------|----------------------|---|----------------------------------|----------------------------------|
| | Shares | Amount | Amount | Shares | Amount | Retained Earnings | Accumulated Other Comprehensive Income | Non- Controlling Interests | Total Stockholders' Equity |
| Balance — December 31, 2024 | 102,241,978 | \$ 1 | \$ 3,086,342 | 59,819,731 | \$(1,616,170) | \$ 4,393,853 | \$ 2,509 | \$ 11,645 | \$ 5,878,180 |
| Net income | — | — | — | — | — | 407,043 | — | 2,673 | 409,716 |
| Exercise of stock options and issuance of restricted stock units, net ⁽¹⁾ | 566,717 | — | (5,023) | — | — | — | — | — | (5,023) |
| Repurchase of common stock ⁽²⁾ | (3,973,431) | — | — | 3,973,431 | (237,096) | — | — | — | (237,096) |
| Stock compensation expense | — | — | 15,801 | — | — | — | — | — | 15,801 |
| Distributions to non-controlling interests of consolidated joint ventures | — | — | — | — | — | — | — | (3,458) | (3,458) |
| Changes in non-controlling interests of consolidated joint ventures | — | — | — | — | — | — | — | (258) | (258) |
| Balance — June 30, 2025 | <u>98,835,264</u> | <u>\$ 1</u> | <u>\$ 3,097,120</u> | <u>63,793,162</u> | <u>\$(1,853,266)</u> | <u>\$ 4,800,896</u> | <u>\$ 2,509</u> | <u>\$ 10,602</u> | <u>\$ 6,057,862</u> |

⁽¹⁾ Dollar amount includes \$5.9 million of stock options exercised netted with the value of shares withheld for taxes on the issuance of restricted stock units.

⁽²⁾ Dollar amount includes an incremental amount related to the 1% excise tax on share repurchases.

TAYLOR MORRISON HOME CORPORATION 10-Q

ITEM 1. FINANCIAL STATEMENTS

For the six months ended June 30, 2024

| | Common Stock | | Additional Paid-in Capital | Treasury Stock | | Stockholders' Equity | | | |
|---|--------------------|-------------|----------------------------------|-------------------|----------------------|----------------------|---|----------------------------------|----------------------------------|
| | Shares | Amount | Amount | Shares | Amount | Retained Earnings | Accumulated Other Comprehensive Income | Non- Controlling Interests | Total Stockholders' Equity |
| Balance — December 31, 2023 | 106,917,636 | \$ 1 | \$ 3,068,597 | 54,211,879 | \$(1,265,097) | \$ 3,510,544 | \$ 896 | \$ 17,345 | \$ 5,332,286 |
| Net income | — | — | — | — | — | 389,730 | — | 1,345 | 391,075 |
| Exercise of stock options and issuance of restricted stock units, net ⁽¹⁾ | 703,460 | — | (9,431) | — | — | — | — | — | (9,431) |
| Repurchase of common stock ⁽²⁾ | (3,195,288) | — | — | 3,195,288 | (198,519) | — | — | — | (198,519) |
| Stock compensation expense | — | — | 11,555 | — | — | — | — | — | 11,555 |
| Distributions to non-controlling interests of consolidated joint ventures | — | — | — | — | — | — | — | (424) | (424) |
| Balance — June 30, 2024 | <u>104,425,808</u> | <u>\$ 1</u> | <u>\$ 3,070,721</u> | <u>57,407,167</u> | <u>\$(1,463,616)</u> | <u>\$ 3,900,274</u> | <u>\$ 896</u> | <u>\$ 18,266</u> | <u>\$ 5,526,542</u> |

⁽¹⁾ Dollar amount includes \$5.5 million of stock options exercised netted with the value of shares withheld for taxes on the issuance of restricted stock units.

⁽²⁾ Dollar amount includes an incremental amount related to the 1% excise tax on share repurchases.

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements

TAYLOR MORRISON HOME CORPORATION 10-Q

TAYLOR MORRISON HOME CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands, unaudited)

| | Six Months Ended June 30, | |
|---|---------------------------|---------------------|
| | 2025 | 2024 |
| Cash Flows from Operating Activities | | |
| Net income before allocation to non-controlling interests | \$ 409,716 | \$ 391,075 |
| Adjustments to reconcile net income to net cash provided by/(used in) operating activities: | | |
| Net income from unconsolidated entities | (2,301) | (5,379) |
| Stock compensation expense | 15,801 | 11,555 |
| Distributions of earnings from unconsolidated entities | 7,263 | 9,866 |
| Depreciation and amortization | 19,167 | 21,581 |
| Operating lease expense | 9,663 | 11,505 |
| Debt issuance costs amortization | 1,332 | 1,482 |
| Inventory impairments | 21,632 | 2,325 |
| Land held for sale write-down | — | 6,782 |
| Changes in operating assets and liabilities: | | |
| Real estate inventory and land deposits | (323,137) | (688,389) |
| Mortgage loans held for sale, prepaid expenses and other assets | (160,037) | (223,813) |
| Customer deposits | (27,665) | 22,979 |
| Accounts payable, accrued expenses and other liabilities | (17,917) | 74,372 |
| Income taxes payable | (2,243) | — |
| Net cash used in operating activities | \$ (48,726) | \$ (364,059) |
| Cash Flows from Investing Activities: | | |
| Purchase of property and equipment | (16,193) | (17,441) |
| Distributions of capital from unconsolidated entities | 8,612 | 5,161 |
| Investments of capital into unconsolidated entities | (48,537) | (45,028) |
| Net cash used in investing activities | \$ (56,118) | \$ (57,308) |
| Cash Flows from Financing Activities | | |
| Repayments on loans payable and other borrowings | — | (52,093) |
| Borrowings on revolving credit facility | 100,000 | — |
| Repayments on revolving credit facility | (100,000) | — |
| Borrowings on mortgage warehouse facilities | 1,724,833 | 1,608,895 |
| Repayments on mortgage warehouse facilities | (1,727,974) | (1,486,154) |
| Changes in stock option exercises and issuance of restricted stock units, net | (5,023) | (9,431) |
| Payment of principal portion of finance lease | (1,343) | (1,358) |
| Repurchase of common stock, net | (235,093) | (196,394) |
| Distributions to non-controlling interests of consolidated joint ventures | (3,458) | (424) |
| Net cash used in financing activities | \$ (248,058) | \$ (136,959) |
| Net Decrease in Cash and Cash Equivalents and Restricted Cash | \$ (352,902) | \$ (558,326) |
| Cash, Cash Equivalents, and Restricted Cash — Beginning of period | 487,166 | 807,099 |
| Cash, Cash Equivalents, and Restricted Cash — End of period | \$ 134,264 | \$ 248,773 |
| Supplemental Cash Flow Information | | |
| Income tax paid, net | \$ (156,729) | \$ (125,792) |
| Supplemental Non-Cash Investing and Financing Activities: | | |
| Change in loans payable issued to sellers in connection with land purchase contracts | \$ 57,420 | \$ 149,363 |
| Change in inventory not owned | \$ 23,000 | \$ 63,082 |
| Accrual of excise tax on share repurchases | \$ (2,003) | \$ (2,125) |

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements

TAYLOR MORRISON HOME CORPORATION

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS

Description of the Business — Taylor Morrison Home Corporation (“TMHC”), through its subsidiaries (together with TMHC referred to herein as “we,” “our,” “the Company” and “us”), owns and operates a residential homebuilding business and is a land developer. We operate in the states of Arizona, California, Colorado, Florida, Georgia, Indiana, Nevada, North and South Carolina, Oregon, Texas, and Washington. We provide an assortment of homes across a wide range of price points to appeal to an array of consumer groups. We design, build and sell single and multi-family detached and attached homes in traditionally high growth markets for entry level, move-up, and resort-lifestyle buyers. We are the general contractors for all real estate projects and engage subcontractors for home construction and land development. Our homebuilding segments operate under various brand names including Taylor Morrison, Darling Homes Collection by Taylor Morrison, and Esplanade. We also have a “Build-to-Rent” homebuilding business which operates under the Yardly brand name. In addition, we develop and construct multi-use properties consisting of commercial space, retail, and multi-family properties under the Urban Form brand. We also have operations which provide financial services to customers through our wholly owned mortgage subsidiary, Taylor Morrison Home Funding, Inc. (“TMHF”), title services through our wholly owned title services subsidiary, Inspired Title & Escrow Services, LLC (“Inspired Title”), and homeowner’s insurance policies through our insurance agency, Taylor Morrison Insurance Services, LLC (“TMIS”). Our business is organized into multiple homebuilding operating components, and a financial services component, all of which are managed as four reportable segments: East, Central, West, and Financial Services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Consolidation — The accompanying unaudited Condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the Consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2024 (the “Annual Report”). In the opinion of management, the accompanying unaudited Condensed consolidated financial statements include all normal and recurring adjustments that are considered necessary for the fair presentation of our results for the interim periods presented. Results for interim periods are not necessarily indicative of results to be expected for a full fiscal year.

Use of Estimates — The preparation of financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the amounts reported in the unaudited Condensed consolidated financial statements and accompanying notes. Significant estimates include real estate development costs to complete, valuation of real estate, valuation of goodwill, valuation of estimated development liabilities, valuation of equity awards, valuation allowance on deferred tax assets, and reserves for warranty and self-insured risks. Actual results could differ from those estimates.

Real Estate Inventory — Inventory consists of raw land, land under development, homes under construction, completed homes, and model homes, all of which are stated at cost. In addition to direct carrying costs, we also capitalize interest, real estate taxes, and related development costs that benefit the entire community, such as field construction supervision and related direct overhead. Home vertical construction costs are accumulated and charged to Cost of home closings at the time of home closing using the specific identification method. Land acquisition, development, interest, and real estate taxes are allocated generally using the relative sales value method. Generally, all overhead costs relating to purchasing, vertical construction, and construction utilities are considered overhead costs and allocated on a per unit basis. These costs are capitalized to inventory beginning with the start of development through construction completion. Changes in estimated costs to be incurred in a community are generally allocated to the remaining project on a prospective basis.

The life cycle of a typical community generally ranges from two to five years, commencing with the acquisition of unentitled or entitled land, continuing through the land development phase and concluding with the sale, construction and delivery of homes. Actual community duration will vary based on the size of the community, the sales absorption rate and whether we purchased the property as raw land or as finished lots.

We capitalize qualifying interest costs to inventory during the development and construction periods. Capitalized interest is charged to Cost of home closings when the related inventory is charged to Cost of home closings.

We assess the recoverability of our inventory in accordance with the provisions of ASC Topic 360, *Property, Plant, and Equipment* (“Topic 360”). We review our real estate inventory for indicators of impairment on a community-level basis during each reporting period. If indicators of impairment are present for a community, an undiscounted cash flow analysis is generally prepared in order to determine if the carrying value of the assets in that community exceeds the estimated

ITEM 1. FINANCIAL STATEMENTS

undiscounted cash flows. Generally, if the carrying value of the assets exceeds their estimated undiscounted cash flows, the assets are potentially impaired, requiring a fair value analysis. Our determination of fair value is primarily based on a discounted cash flow model which includes projections and estimates relating to sales prices, construction costs, sales pace, and other factors. However, in certain circumstances, fair value can be determined through other methods, such as appraisals, contractual purchase offers, and other third party opinions of value. Changes in these projections and estimates may lead to a change in the outcome of our impairment analysis, and actual results may also differ from our assumptions. For the three and six months ended June 30, 2025, we recorded **\$6.8 million and \$21.6 million, respectively**, of inventory impairment charges relating to certain communities in our West and East reporting segments driven by declining sales prices. For the three and six months ended June 30, 2024, we recorded \$2.3 million of inventory impairment relating to one of our communities in our East reporting segment. Inventory impairments are recorded to Cost of home closings on the unaudited Condensed consolidated statements of operations.

In certain cases, we may elect to cease development and/or marketing of an existing community if we believe the economic performance of the community would be maximized by deferring development and marketing for a period of time to allow for market conditions to improve. We refer to such communities as long-term strategic assets. The decision may be based on financial and/or operational metrics as determined by us. For those communities that have been temporarily closed or development has been discontinued, we do not allocate interest or other costs to the community's inventory until activity resumes. Such costs are expensed as incurred. In addition, if we decide to cease development, we will evaluate the project for recoverability. Our assessment of the carrying value of our long-term strategic assets typically includes estimates of future performance, including the timing of when development will recommence, the type of product to be offered, and the margin to be realized. In the future, some of these inactive communities may be re-opened while others may be sold. As of June 30, 2025 and December 31, 2024, we had no long-term strategic assets.

Real estate or inventory assets are considered held for sale once it is determined all criteria in accordance with Topic 360 have been met. The criteria includes the following considerations: (i) whether the company is committed to a plan to sell, (ii) whether the asset is available for immediate sale in the asset's present condition, (iii) whether an active program to locate a buyer and other actions required to complete the plan to sell have been initiated, (iv) whether the sale of the asset is probable (i.e., likely to occur) and the transfer is expected to qualify for recognition as a completed sale within one year, (v) whether the long-lived asset or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value, and (vi) whether actions necessary to complete the plan indicate that it is unlikely significant changes to the plan will be made and that the plan will be withdrawn. Real estate and inventory assets held for sale are reported at the lower of carrying value or estimated fair value, less estimated costs to sell. The estimated fair value is generally based on appraisal, sales listing agreements, purchase and sales agreements, letters of intent, broker price opinions, recent offers received, prices for assets in recent comparable sales transactions, or other third-party estimates. Impairment charges on real estate or inventory assets held for sale are recognized when the carrying value is greater than the estimated fair value less estimated costs to sell. Fair value may be based on the estimated sales price of the property or a cash flow analysis may also be performed.

Inventory Assets Held for Sale - In some locations where we act as a developer, we occasionally purchase land that includes commercially zoned parcels or areas designated for school or government use, which we typically sell to commercial developers or municipalities, as applicable. We also sell residential lots or land parcels to manage our land and lot supply on larger tracts of land. For the three and six months ended June 30, 2025, we had no fair value adjustments for land held for sale. For the three and six months ended June 30, 2024, we recorded \$6.8 million of fair value adjustments for land held for sale in our West reporting segment. Adjustments for land held for sale are recorded within Cost of land closings on the unaudited Condensed consolidated statements of operations.

Real Estate Assets Held for Sale - As of June 30, 2025 and December 31, 2024, we had one asset relating to our Urban Form operations in Oregon which was held for sale. This asset is included in Property and equipment, net on our unaudited Condensed consolidated balance sheets and in our Corporate and Unallocated reporting segment. The estimated fair value of the asset was \$89.7 million as of June 30, 2025 and December 31, 2024. For the three months ended December 31, 2024, we recorded an adjustment to fair value of \$5.3 million.

Land Banking Arrangements — We have land purchase agreements with various land sellers. As a method of acquiring land in staged takedowns, while limiting risk and minimizing the use of funds from our available cash or other financing sources, we transfer our right under certain specific performance agreements to entities owned by third parties ("land banking arrangements"). These entities use equity contributions from their owners and/or incur debt to finance the acquisition and development of the land. We incur interest expense on these arrangements. Interest is based on remaining lots to be purchased and is capitalized for the percentage of lots in each project actively under development, with the remainder expensed and included in Interest expense, net on the unaudited Condensed consolidated statements of operations. These lots are considered controlled but we are not legally obligated to purchase lots under these agreements; however, we would forfeit any existing deposits and could be subject to financial and other penalties if we do not purchase the lots. We do not have an ownership interest in these entities or title to their assets and do not guarantee their liabilities. As such, these entities are not consolidated. These land banking arrangements help us manage the financial and market risk associated with land holdings which are not included in the unaudited Condensed consolidated balance sheets.

ITEM 1. FINANCIAL STATEMENTS

As of June 30, 2025 and December 31, 2024, we had the right to purchase 7,694 lots and 6,895 lots under such land banking agreements for an aggregate purchase price of \$1.3 billion and \$1.2 billion, respectively. As of June 30, 2025 and December 31, 2024, our exposure to loss related to deposits on land banking arrangements totaled \$214.0 million and \$154.8 million, respectively.

Property and Equipment, net — Property and equipment, net consists of the following for the periods presented:

| (Dollars in thousands) | As of | |
|-----------------------------------|---------------|-------------------|
| | June 30, 2025 | December 31, 2024 |
| Urban Form | \$ 105,730 | \$ 105,906 |
| Build-to-Rent | 84,310 | 46,696 |
| Other | 78,450 | 80,107 |
| Total property and equipment, net | \$ 268,490 | \$ 232,709 |

Revenue Recognition — Revenue is recognized in accordance with ASC Topic 606, *Revenue from Contracts with Customers* ("Topic 606"). The standard's core principle requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services.

Home and Land Closings Revenue

Under Topic 606, the following steps are applied to determine home closings revenue and land closings revenue recognition: (1) identify the contract(s) with our customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the performance obligation(s) are satisfied. Our home sales transactions, have one contract, with one performance obligation, with each customer to build and deliver the home purchased (or develop and deliver land). Based on the application of the five steps, the following summarizes the timing and manner of home and land closings revenue:

- Revenue from closings of residential real estate is recognized when the buyer has made the required minimum down payment, obtained necessary financing, the risks and rewards of ownership are transferred to the buyer, and we have no continuing involvement with the property, which is generally upon the close of escrow. Revenue is reported net of any discounts and incentives.
- Revenue from land sales is recognized when a significant down payment is received, title passes and collectability of the receivable, if any, is reasonably assured, and we have no continuing involvement with the property, which is generally upon the close of escrow.

Amenity and Other Revenue

We own and operate certain community amenities such as golf courses, clubhouses, and fitness centers, pursuant to which we provide club members with access to the facilities in exchange for the payment of club dues. We collect club dues and other fees from club members, which are invoiced and recorded as revenue on a monthly basis. Revenue from our golf club operations is also included in Amenity and other revenue. Amenity and other revenue also includes lease and sale revenue from our Urban Form and Build-to-Rent operations. Lease revenue for Urban Form and Build-to-Rent is earned from residential and commercial rental spaces. Revenue from the sale of assets from our Urban Form operations and Build-to-Rent operations is recorded as control transfers to the buyer at transaction close and other criteria of ASC Topic 606 are met.

Financial Services Revenue

Mortgage operations and hedging activity related to financial services are not within the scope of Topic 606. Loan origination fees (including title fees, points, and closing costs) are recognized at the time the related real estate transactions are completed, which is usually upon the close of escrow. Generally, loans TMHF originates are sold to third party investors within a short period of time, on a non-recourse basis. Gains and losses from the sale of mortgages are recognized in accordance with ASC Topic 860-20, *Sales of Financial Assets*. TMHF does not have continuing involvement with the transferred assets; therefore, we derecognize the mortgage loans at time of sale, based on the difference between the selling price and carrying value of the related loans upon sale, recording a gain/loss on sale in the period of sale. Also included in Financial services revenue/expenses is the realized and unrealized gains and losses from hedging instruments. ASC Topic 815-25, *Derivatives and Hedging*, requires that all hedging instruments be recognized as assets or liabilities on the balance sheet at their fair value. We do not meet the criteria for hedge accounting; therefore, we account for these instruments as free-standing derivatives, with changes in fair value recognized in Financial services revenue/expenses on the unaudited Condensed consolidated statements of operations in the period in which they occur.

Recently Issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, Improvements to Income Tax Disclosures, which establishes new income tax disclosure requirements. Under the new guidance, entities must consistently categorize and provide greater disaggregation of information in the rate reconciliation as well as further disaggregate income taxes paid. This ASU can be applied prospectively or retrospectively and is effective for the annual reporting period ending December 31, 2025. The adoption of ASU 2023-09 is not expected to have a material impact on our consolidated financial statements or disclosures.

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses, which establishes new disclosure requirements for income statement expenses. Under the new guidance, entities must provide greater disaggregation of expenses which includes disclosing the amounts of purchases of inventory, employee compensation, and depreciation included in each relevant expense caption. Entities will also have to disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, the total amount of selling expenses, and a definition of selling expenses. In January 2025, the FASB issued ASU 2025-01 which updated the effective date related to ASU 2024-03. As a result of the issuance of ASU 2025-01, the ASU is effective for the annual reporting period ending December 31, 2027. The adoption of ASU 2024-03 will not impact our unaudited Condensed consolidated financial statements but we are currently reviewing the impact that it may have on our footnote disclosures.

3. EARNINGS PER SHARE

Basic earnings per common share is computed by dividing net income by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share gives effect to the potential dilution that could occur if all outstanding dilutive equity awards to issue shares of common stock were exercised or settled.

The following is a summary of the components of basic and diluted earnings per share (in thousands, except per share amounts):

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|-------------------------------------|--------------------------------|------------|------------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| <u>Numerator:</u> | | | | |
| Net income | \$ 193,577 | \$ 199,460 | \$ 407,043 | \$ 389,730 |
| <u>Denominator:</u> | | | | |
| Weighted average shares – basic | 99,537 | 105,500 | 100,387 | 105,979 |
| Restricted stock units | 554 | 750 | 728 | 982 |
| Stock options | 832 | 999 | 900 | 1,000 |
| Weighted average shares – diluted | 100,923 | 107,249 | 102,015 | 107,961 |
| Earnings per common share – basic | \$ 1.94 | \$ 1.89 | \$ 4.05 | \$ 3.68 |
| Earnings per common share – diluted | \$ 1.92 | \$ 1.86 | \$ 3.99 | \$ 3.61 |

The above calculations of weighted average shares exclude 384,039 and 221,434 of anti-dilutive stock options and unvested performance and non-performance restricted stock units ("RSUs") for the three and six months ended June 30, 2025, respectively and 138,103 and 150,859 of anti-dilutive stock options and unvested performance and non-performance RSUs for the three and six months ended June 30, 2024, respectively.

In addition, 163,674 and 336,935 shares relating to our accelerated share repurchase ("ASR") programs (refer to Note 10 - Stockholders' Equity) were also anti-dilutive and excluded from the above for the three and six months ended June 30, 2025, respectively and 192,105 and 367,084 shares relating to our ASR programs were also anti-dilutive and excluded from the above for the three and six months ended June 30, 2024, respectively.

4. REAL ESTATE INVENTORY

Inventory consists of the following:

| | As of | |
|--|------------------|----------------------|
| | June 30, 2025 | December 31, 2024 |
| <i>(Dollars in thousands)</i> | | |
| Real estate developed and under development | \$ 4,554,827 | \$ 4,455,623 |
| Real estate held for development or held for sale ⁽¹⁾ | 21,365 | 26,301 |
| Total land inventory | 4,576,192 | 4,481,924 |
| Operating communities ⁽²⁾ | 1,675,826 | 1,524,352 |
| Capitalized interest | 159,649 | 156,613 |
| Total owned inventory | 6,411,667 | 6,162,889 |
| Consolidated real estate not owned | 94,195 | 71,195 |
| Total real estate inventory | \$ 6,505,862 | \$ 6,234,084 |

⁽¹⁾ Real estate held for development or held for sale includes properties which are not in active production.

⁽²⁾ Operating communities consist of all vertical construction costs relating to homes in progress and completed homes.

We have land option purchase contracts, land banking arrangements and other controlled lot agreements. We do not have title to the properties, and the property owner and its creditors generally only have recourse against us in the form of retaining any non-refundable deposits. We are also not legally obligated to purchase the balance of the lots.

A summary of owned and controlled lots is as follows:

| | As of | |
|--------------------------------------|------------------|-------------------|
| | June 30, 2025 | December 31, 2024 |
| Owned lots: | | |
| Undeveloped | 14,820 | 16,345 |
| Under development | 8,377 | 8,774 |
| Finished | 10,960 | 11,599 |
| Total owned lots | 34,157 | 36,718 |
| Controlled lots: | | |
| Land option purchase contracts | 9,146 | 9,529 |
| Land banking arrangements | 7,694 | 6,895 |
| Other controlled lots ⁽¹⁾ | 34,054 | 33,011 |
| Total controlled lots | 50,894 | 49,435 |
| Total owned and controlled lots | 85,051 | 86,153 |
| Homes in inventory | 8,192 | 7,698 |

⁽¹⁾ Other controlled lots include single transaction take-downs and lots from our portion of unconsolidated joint ventures.

Lots which represent homes in progress and completed homes have been excluded from total owned lots. Controlled lots represent lots in which we have a contractual right to acquire real property, generally through an option contract, land banking arrangement, or a land deposit paid to a seller. Homes in inventory include any lots which have commenced vertical construction.

ITEM 1. FINANCIAL STATEMENTS

Capitalized Interest — Interest capitalized, incurred and amortized is as follows (in thousands):

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|------------|------------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Interest capitalized - beginning of period | \$ 159,708 | \$ 177,222 | \$ 156,613 | \$ 174,449 |
| Interest incurred and capitalized | 25,714 | 23,344 | 53,582 | 49,742 |
| Interest amortized to cost of home closings | (25,773) | (28,303) | (50,546) | (51,928) |
| Interest capitalized - end of period | \$ 159,649 | \$ 172,263 | \$ 159,649 | \$ 172,263 |

5. INVESTMENTS IN CONSOLIDATED AND UNCONSOLIDATED ENTITIES

Unconsolidated Entities

Summarized, unaudited condensed combined financial information of unconsolidated entities that are accounted for by the equity method are as follows (in thousands):

| | As of | |
|--------------------------------------|------------------|----------------------|
| | June 30, 2025 | December 31, 2024 |
| Assets: | | |
| Real estate inventory | \$ 1,504,740 | \$ 1,396,887 |
| Other assets | 284,645 | 226,198 |
| Total assets | \$ 1,789,385 | \$ 1,623,085 |
| Liabilities and owners' equity: | | |
| Debt | \$ 678,882 | \$ 576,753 |
| Other liabilities | 65,445 | 69,706 |
| Total liabilities | \$ 744,327 | \$ 646,459 |
| Owners' equity: | | |
| TMHC | \$ 474,684 | \$ 439,721 |
| Others | 570,374 | 536,905 |
| Total owners' equity | \$ 1,045,058 | \$ 976,626 |
| Total liabilities and owners' equity | \$ 1,789,385 | \$ 1,623,085 |

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|-----------|------------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Revenue | \$ 118,978 | \$ 89,384 | \$ 212,565 | \$ 163,152 |
| Costs and expenses | (116,666) | (82,713) | (205,027) | (149,356) |
| Net income | \$ 2,312 | \$ 6,671 | \$ 7,538 | \$ 13,796 |
| TMHC's share in net income of unconsolidated entities | \$ 326 | \$ 2,628 | \$ 2,301 | \$ 5,379 |
| Distributions to TMHC from unconsolidated entities | \$ 12,779 | \$ 12,130 | \$ 15,875 | \$ 15,027 |

Consolidated Entities

As of June 30, 2025, assets of consolidated joint ventures totaled \$98.1 million, of which \$7.1 million was cash and cash equivalents and \$83.7 million was owned real estate inventory. As of December 31, 2024, assets of consolidated joint ventures totaled \$98.6 million, of which \$18.1 million was cash and cash equivalents and \$79.1 million was owned real estate inventory. The liabilities of consolidated joint ventures totaled \$51.7 million and \$48.4 million as of June 30, 2025 and December 31, 2024, respectively, and were primarily comprised of accounts payable and accrued expenses and other liabilities.

6. ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses and other liabilities consist of the following (in thousands):

| | As of | |
|--|-------------------|-------------------|
| | June 30, 2025 | December 31, 2024 |
| Real estate development costs to complete | \$ 42,385 | \$ 44,046 |
| Compensation and employee benefits | 81,829 | 174,509 |
| Self-insurance and warranty reserves | 237,655 | 214,105 |
| Interest payable | 36,021 | 32,288 |
| Property and sales taxes payable | 33,340 | 36,575 |
| Other accruals | 166,143 | 130,727 |
| Total accrued expenses and other liabilities | <u>\$ 597,373</u> | <u>\$ 632,250</u> |

Self-Insurance and Warranty Reserves – We accrue for the expected costs associated with our limited warranty, deductibles and self-insured exposure under our various insurance policies within Beneva Indemnity Company (“Beneva”), a wholly owned subsidiary. A summary of the changes in reserves are as follows (in thousands):

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|-------------------|------------------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Reserve - beginning of period | \$ 212,483 | \$ 186,948 | \$ 214,105 | \$ 184,448 |
| Additions to reserves | 26,140 | 21,525 | 41,711 | 42,190 |
| Claims paid | (21,384) | (28,713) | (40,293) | (49,906) |
| Changes in estimates to pre-existing reserves ⁽¹⁾ | 20,416 | 2,030 | 22,132 | 5,058 |
| Reserve - end of period | <u>\$ 237,655</u> | <u>\$ 181,790</u> | <u>\$ 237,655</u> | <u>\$ 181,790</u> |

⁽¹⁾Changes in estimates to pre-existing reserves for the three and six months ended June 30, 2025 includes a charge for warranty claims specific to our East region.

Due to the degree of judgment required in making these estimates and the inherent uncertainty in potential outcomes, it is reasonably possible that actual costs could differ from those reserved and such differences could be material, resulting in a change in future estimated reserves.

7. DEBT

Total debt consists of the following (in thousands):

| | As of | | | | | |
|--|---------------------|---|---------------------|---------------------|---|---------------------|
| | June 30, 2025 | | | December 31, 2024 | | |
| | Principal | Unamortized Debt Issuance (Costs)/ Premium | Carrying Value | Principal | Unamortized Debt Issuance (Costs)/ Premium | Carrying Value |
| 5.875% Senior Notes due 2027 | 500,000 | (1,499) | 498,501 | 500,000 | (1,890) | 498,110 |
| 6.625% Senior Notes due 2027 ⁽¹⁾ | 27,070 | 589 | 27,659 | 27,070 | 733 | 27,803 |
| 5.75% Senior Notes due 2028 | 450,000 | (1,605) | 448,395 | 450,000 | (1,920) | 448,080 |
| 5.125% Senior Notes due 2030 | 500,000 | (3,222) | 496,778 | 500,000 | (3,539) | 496,461 |
| Senior Notes subtotal | <u>\$ 1,477,070</u> | <u>\$ (5,737)</u> | <u>\$ 1,471,333</u> | <u>\$ 1,477,070</u> | <u>\$ (6,616)</u> | <u>\$ 1,470,454</u> |
| Loans payable and other borrowings | 456,725 | — | 456,725 | 475,569 | — | 475,569 |
| \$1 Billion Revolving Credit Facility ⁽²⁾ | — | — | — | — | — | — |
| Mortgage warehouse facilities borrowings | 171,319 | — | 171,319 | 174,460 | — | 174,460 |
| Total debt | <u>\$ 2,105,114</u> | <u>\$ (5,737)</u> | <u>\$ 2,099,377</u> | <u>\$ 2,127,099</u> | <u>\$ (6,616)</u> | <u>\$ 2,120,483</u> |

⁽¹⁾Unamortized debt issuance premium is reflective of fair value adjustments as a result of purchase accounting.

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⁽²⁾ Unamortized debt issuance costs related to the \$1 billion Revolving Credit Facility are included in the Prepaid expenses and other assets, net on the unaudited Condensed consolidated balance sheets.

Debt Instruments

Excluding the debt instruments discussed below, the terms governing all other debt instruments listed in the table above have not substantially changed from the year ended December 31, 2024. For information regarding such instruments, refer to Note 8 - Debt to the Consolidated financial statements in our Annual Report. As of June 30, 2025, we were in compliance with all of the covenants in the debt instruments listed in the table above.

\$1 Billion Revolving Credit Facility

Our \$1 Billion Revolving Credit Facility has a maturity date of March 11, 2027. During the three months ended June 30, 2025, we borrowed and repaid \$100 million under our \$1 Billion Revolving Credit Facility. We had no outstanding borrowings under our \$1 Billion Revolving Credit Facility as of June 30, 2025 and December 31, 2024.

As of June 30, 2025 and December 31, 2024, we had \$1.5 million and \$2.0 million, respectively, of unamortized debt issuance costs, which are included in Prepaid expenses and other assets, net, on the unaudited Condensed consolidated balance sheets. As of June 30, 2025 and December 31, 2024, we had \$48.0 million and \$52.9 million, respectively, of utilized letters of credit, resulting in \$952.0 million and \$947.1 million, respectively, of availability.

As of June 30, 2025, we were in compliance with all of the covenants under the \$1 Billion Revolving Credit Facility.

Mortgage Warehouse Facilities Borrowings

The following is a summary of our mortgage warehouse facilities borrowings (in thousands):

| As of June 30, 2025 | | | | | |
|---------------------|-------------------|-------------------|------------------------------|----------------------------------|---------------------------|
| Facility | Amount Drawn | Facility Amount | Interest Rate ⁽¹⁾ | Expiration Date | Collateral ⁽¹⁾ |
| Warehouse B | \$ — | \$ 60,000 | Term SOFR + 1.7% | on demand | Mortgage loans |
| Warehouse C | 68,295 | 125,000 | Term SOFR + 1.50% | on demand | Mortgage loans |
| Warehouse D | 54,422 | 100,000 | Term SOFR + 1.50% | September 3, 2025 ⁽³⁾ | Mortgage loans |
| Warehouse E | 48,602 | 100,000 | Daily SOFR + 1.60% | on demand | Mortgage loans |
| | <u>\$ 171,319</u> | <u>\$ 385,000</u> | | | |

| As of December 31, 2024 | | | | | |
|----------------------------|-------------------|-------------------|------------------------------|----------------------------------|---------------------------|
| Facility | Amount Drawn | Facility Amount | Interest Rate ⁽¹⁾ | Expiration Date | Collateral ⁽¹⁾ |
| Warehouse A ⁽²⁾ | \$ — | \$ — | Term SOFR + 1.70% | on demand | Mortgage loans |
| Warehouse B ⁽²⁾ | 2,123 | 60,000 | Term SOFR + 1.70% | on demand | Mortgage loans |
| Warehouse C | 69,008 | 125,000 | Term SOFR + 1.50% | on demand | Mortgage loans |
| Warehouse D | 60,176 | 125,000 | Daily SOFR + 1.50% | September 3, 2025 ⁽³⁾ | Mortgage loans |
| Warehouse E | \$ 43,153 | \$ 100,000 | Term SOFR + 1.60% | on demand | Mortgage loans |
| Total | <u>\$ 174,460</u> | <u>\$ 410,000</u> | | | |

⁽¹⁾ The Mortgage warehouse facilities borrowings outstanding as of June 30, 2025 and December 31, 2024 were collateralized by \$220.2 million and \$207.9 million, respectively, of mortgage loans held for sale. "SOFR" refers to the Secured Overnight Financing Rate.

⁽²⁾ During December 2024, Warehouse A's bank was purchased by Warehouse B's bank and created a new facility referred to as Warehouse B. As a result, there was no availability under Warehouse A as of December 31, 2024. Warehouse B has been relabeled and was labeled as Warehouse F in our Annual Report.

⁽³⁾ The Company has the intent and ability to renew Warehouse D's borrowings upon expiration.

Loans Payable and Other Borrowings

Loans payable and other borrowings as of June 30, 2025 and December 31, 2024 consist of project-level debt due to various land sellers and financial institutions for specific communities. Project-level debt is generally secured by the land that was acquired and the principal payments generally coincide with corresponding project lot closings or a principal reduction

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schedule. Loans payable bear interest at rates that ranged from 0% to 11% at June 30, 2025 and December 31, 2024. We impute interest for loans with no stated interest rates.

8. FAIR VALUE DISCLOSURES

ASC Topic 820 provides a framework for measuring fair value under GAAP, expands disclosures about fair value measurements, and establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of the fair value hierarchy are summarized as follows:

Level 1 — Fair value is based on quoted prices for identical assets or liabilities in active markets.

Level 2 — Fair value is determined using quoted prices for similar assets or liabilities in active markets or quoted prices for identical or similar assets or liabilities in markets that are not active or are directly or indirectly observable.

Level 3 — Fair value is determined using one or more significant inputs that are unobservable in active markets at the measurement date, such as a pricing model, discounted cash flow, or similar technique.

The fair value of our Mortgage loans held for sale is derived from negotiated rates with partner lending institutions. The fair value of derivative assets and liabilities includes interest rate lock commitments ("IRLCs") and mortgage backed securities ("MBS"). The fair value of IRLCs is based on the value of the underlying mortgage loans, quoted MBS prices and the probability that the mortgage loan will fund within the terms of the IRLCs. We estimate the fair value of the forward sales commitments based on quoted MBS prices. The fair value of our Mortgage warehouse facilities borrowings, and Loans payable and other borrowings approximate carrying value due to their short term nature and variable interest rate terms. The fair value of our senior notes is derived from quoted market prices by independent dealers in markets that are not active. There were no changes to or transfers between the levels of the fair value hierarchy for any of our financial instruments as of June 30, 2025, when compared to December 31, 2024.

The carrying value and fair value of our financial instruments are as follows:

| (Dollars in thousands) | Level in Fair Value Hierarchy | June 30, 2025 | | December 31, 2024 | |
|---|-------------------------------|----------------|----------------------|-------------------|----------------------|
| | | Carrying Value | Estimated Fair Value | Carrying Value | Estimated Fair Value |
| Description: | | | | | |
| Mortgage loans held for sale | 2 | \$ 220,210 | \$ 220,210 | \$ 207,936 | \$ 207,936 |
| IRLCs | 3 | (4,388) | (4,388) | (5,917) | (5,917) |
| MBSs | 2 | (6,696) | (6,696) | 4,174 | 4,174 |
| Mortgage warehouse facilities borrowings | 2 | 171,319 | 171,319 | 174,460 | 174,460 |
| Loans payable and other borrowings | 2 | 456,725 | 456,725 | 475,569 | 475,569 |
| 5.875% Senior Notes due 2027 ⁽¹⁾ | 2 | 498,501 | 507,820 | 498,110 | 501,770 |
| 6.625% Senior Notes due 2027 ⁽¹⁾ | 2 | 27,659 | 26,789 | 27,803 | 26,804 |
| 5.75% Senior Notes due 2028 ⁽¹⁾ | 2 | 448,395 | 456,084 | 448,080 | 446,679 |
| 5.125% Senior Notes due 2030 ⁽¹⁾ | 2 | 496,778 | 497,460 | 496,461 | 478,455 |

⁽¹⁾ Carrying value for senior notes, as presented, includes unamortized debt issuance costs and premiums. Debt issuance costs are not factored into the fair value calculation for the senior notes.

Fair value measurements are used for inventories on a nonrecurring basis when events and circumstances indicate that their carrying value is not recoverable. The fair value of such inventories as of June 30, 2025 were \$31.6 million and as of December 31, 2024 were \$10.6 million. These values are a level 3 in the fair value hierarchy.

9. INCOME TAXES

The effective tax rate for the three and six months ended June 30, 2025 was 25.6% and 24.4%, respectively, compared to 25.2% and 24.2%, respectively, for the same periods in 2024. For the three months ended June 30, 2025, the effective tax rate differed from the U.S. federal statutory income tax rate primarily due to state income taxes, non-deductible executive compensation, and excess tax benefits from share-based compensation.

There were no unrecognized tax benefits as of June 30, 2025 or December 31, 2024.

Subsequent to June 30, 2025, the One Big Beautiful Bill Act ("OBBA") was enacted into law. Key tax components of OBBA include extension of the expiring tax provisions from the 2017 Tax Cuts and Jobs Act, the reinstatement of immediate expensing of qualifying business property, full expensing of domestic research and experimental expenditures, and

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accelerated expiration dates for certain energy credits. We are currently evaluating the tax provisions of OBBB and do not expect a material impact to our financial statements.

10. STOCKHOLDERS' EQUITY

Capital Stock

The Company's authorized capital stock consists of 400,000,000 shares of common stock, par value \$0.00001 per share (the "Common Stock"), and 50,000,000 shares of preferred stock, par value \$0.00001 per share.

Stock Repurchase Program

On October 23, 2024, our Board of Directors authorized a renewal of the Company's stock repurchase program which permits the repurchase up to \$1.0 billion of the Company's common stock through December 31, 2026. Repurchases under the program may occur from time to time through open market purchases, privately negotiated transactions or other transactions.

Using the availability under our stock repurchase program, we may enter into ASR agreements. Such agreements require a cash payment, which has generally been \$50.0 million for the agreements we have executed. We receive an initial delivery of 80% of common stock shares, with the remaining 20% received (or to be received) at final settlement using a volume-weighted average price calculation in accordance with the terms of each ASR agreement.

The following table summarizes share repurchase activity for the periods presented:

| (Number of Shares) | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|-----------------------------|-----------|---------------------------|-----------|
| | 2025 | 2024 | 2025 | 2024 |
| Number of shares repurchased with ASR | 870,765 | 720,461 | 1,712,982 | 1,425,804 |
| Other share repurchases ⁽¹⁾ | 858,671 | 983,342 | 2,260,449 | 1,769,484 |
| Total amount repurchased | 1,729,436 | 1,703,803 | 3,973,431 | 3,195,288 |

⁽¹⁾ Amount represents shares repurchased under our existing share repurchase program which are not part of ASRs.

The following table summarizes our spend on share repurchases for the periods presented:

| (Dollars in thousands) | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|-----------------------------|------------|---------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Amount available for repurchase — beginning of period | \$ 775,000 | \$ 402,840 | \$ 910,093 | \$ 494,489 |
| Amount repurchased | (100,000) | (104,745) | (235,093) | (196,394) |
| Amount available for repurchase — end of period | \$ 675,000 | \$ 298,095 | \$ 675,000 | \$ 298,095 |

11. STOCK BASED COMPENSATION

Equity-Based Compensation

In April 2013, we adopted the Taylor Morrison Home Corporation 2013 Omnibus Equity Award Plan (the "Plan"). The Plan was most recently amended and restated in May 2022. The Plan provides for the grant of stock options, RSUs, performance-based restricted stock units ("PRSUs"), and other equity-based awards deliverable in shares of our Common Stock. As of June 30, 2025, we had an aggregate of 4,368,625 shares of Common Stock available for future grants under the Plan.

The following table provides the outstanding balance of RSUs, PRSUs, and stock options as of June 30, 2025:

| | RSUs and PRSUs | | Stock Options | |
|--------------------------|-----------------|--|-------------------|---|
| | Number of Units | Weighted Average Grant Date Fair Value | Number of Options | Weighted Average Exercise Price Per Share |
| Balance at June 30, 2025 | 1,258,174 | \$ 47.48 | 1,872,690 | \$ 31.16 |

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The following table provides information regarding the amount and components of stock-based compensation expense, all of which is included in General and administrative expenses in the unaudited Condensed consolidated statements of operations (in thousands):

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---------------------------------------|--------------------------------|----------|------------------------------|-----------|
| | 2025 | 2024 | 2025 | 2024 |
| Restricted stock units ⁽¹⁾ | \$ 6,761 | \$ 4,671 | \$ 13,474 | \$ 9,444 |
| Stock options | 1,254 | 1,401 | 2,327 | 2,111 |
| Total stock compensation expense | \$ 8,015 | \$ 6,072 | \$ 15,801 | \$ 11,555 |

⁽¹⁾ Includes compensation expense related to time-based RSUs and PRSUs.

At June 30, 2025 and December 31, 2024, the aggregate unrecognized value of all outstanding stock-based compensation awards was approximately \$46.7 million and \$29.2 million, respectively.

12. OPERATING AND REPORTING SEGMENTS

We have multiple homebuilding operating components which are engaged in the business of acquiring and developing land, constructing homes, marketing and selling homes, and providing warranty and customer service. We aggregate our homebuilding operating components into three reporting segments, East, Central, and West, based on similar long-term economic characteristics. The activity from our Build-to-Rent and Urban Form operations are included in our Corporate and Unallocated segment. We also have a Financial Services reporting segment.

The Company defines the Chief Operating Decision Maker ("CODM") function as the Chief Executive Officer, the Chief Financial Officer, and the Chief Corporate Operations Officer. On a quarterly basis, the CODM is provided with the financial results and key performance metrics at consolidated and disaggregated levels. The Company's CODM assesses the segment's performance by using each segment's gross margin and income before income taxes (which includes certain corporate overhead allocations to each homebuilding segment for certain costs such as travel and entertainment and payroll related costs for the marketing department). The CODM makes company decisions and allocates resources based on the results and performance of the reporting segments.

Our reporting segments are as follows:

| | |
|--------------------|--|
| East | Atlanta, Charlotte, Jacksonville, Naples, Orlando, Raleigh, Sarasota, and Tampa |
| Central | Austin, Dallas, Denver, Houston, and Indianapolis |
| West | Bay Area, Las Vegas, Phoenix, Portland, Sacramento, Seattle, and Southern California |
| Financial Services | Taylor Morrison Home Funding, Inspired Title & Escrow Services, and Taylor Morrison Insurance Services |

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ITEM 1. FINANCIAL STATEMENTS

Operating results for each segment may not be indicative of the results for such segment had it been an independent, stand-alone entity. The prior year tables shown below include Total cost of revenue and a disaggregation of Sales, commissions and other marketing costs and General and administrative expenses as a result of the adoption of ASU 2023-07, *Improvements to Reportable Segment Disclosures*. The segment information is consistent with the metrics reviewed by the CODM and is as follows (in thousands):

| Three Months Ended June 30, 2025 | | | | | | | |
|---|------------|------------|------------|--------------------|--|--|--------------|
| | East | Central | West | Financial Services | Operating and Reporting Segment Subtotal | Corporate and Unallocated ⁽¹⁾ | Total |
| Home closings revenue, net | \$ 695,198 | \$ 481,786 | \$ 789,116 | \$ — | \$ 1,966,100 | \$ — | \$ 1,966,100 |
| All other revenue | 5,399 | 421 | 436 | 52,929 | 59,185 | 4,785 | 63,970 |
| Total revenue | 700,597 | 482,207 | 789,552 | 52,929 | 2,025,285 | 4,785 | 2,030,070 |
| Cost of home closings | 541,132 | 376,069 | 609,699 | — | 1,526,900 | — | 1,526,900 |
| All other cost of sales | 5,917 | 207 | 482 | 25,876 | 32,482 | 3,200 | 35,682 |
| Total cost of revenue | 547,049 | 376,276 | 610,181 | 25,876 | 1,559,382 | 3,200 | 1,562,582 |
| Home closings gross margin | 154,066 | 105,717 | 179,417 | — | 439,200 | — | 439,200 |
| Total gross margin | 153,548 | 105,931 | 179,371 | 27,053 | 465,903 | 1,585 | 467,488 |
| Sales, commissions and other marketing costs ⁽²⁾ | (44,809) | (32,474) | (37,565) | — | (114,848) | (1,541) | (116,389) |
| General and administrative expenses | (13,615) | (7,916) | (11,412) | — | (32,943) | (33,712) | (66,655) |
| Net income/(loss) from unconsolidated entities | — | 59 | (2,540) | 4,029 | 1,548 | (1,222) | 326 |
| Interest and other (expense)/income, net ⁽³⁾ | (4,255) | (4,244) | (9,489) | 318 | (17,670) | (3,837) | (21,507) |
| Income before income taxes | \$ 90,869 | \$ 61,356 | \$ 118,365 | \$ 31,400 | \$ 301,990 | \$ (38,727) | \$ 263,263 |

⁽¹⁾ Includes the activity from our Build-To-Rent and Urban Form operations.

⁽²⁾ Includes corporate marketing expense allocations.

⁽³⁾ Interest and other (expense)/income, net includes pre-acquisition write-offs of terminated projects.

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| Three Months Ended June 30, 2024 | | | | | | | |
|---|------------|------------|------------|--------------------|--|--|--------------|
| | East | Central | West | Financial Services | Operating and Reporting Segment Subtotal | Corporate and Unallocated ⁽¹⁾ | Total |
| Home closings revenue, net | \$ 691,129 | \$ 480,522 | \$ 748,476 | \$ — | \$ 1,920,127 | \$ — | \$ 1,920,127 |
| All other revenue | 3,501 | 12,884 | 600 | 48,916 | 65,901 | 5,025 | 70,926 |
| Total revenue | 694,630 | 493,406 | 749,076 | 48,916 | 1,986,028 | 5,025 | 1,991,053 |
| Cost of home closings | 511,400 | 358,877 | 592,429 | — | 1,462,706 | — | 1,462,706 |
| All other cost of sales | 5,078 | 11,901 | 7,313 | 28,106 | 52,398 | 3,661 | 56,059 |
| Total cost of revenue | 516,478 | 370,778 | 599,742 | 28,106 | 1,515,104 | 3,661 | 1,518,765 |
| Home closings gross margin | 179,729 | 121,645 | 156,047 | — | 457,421 | — | 457,421 |
| Total gross margin | 178,152 | 122,628 | 149,334 | 20,810 | 470,924 | 1,364 | 472,288 |
| Sales, commissions and other marketing costs ⁽²⁾ | (41,714) | (32,081) | (36,935) | — | (110,730) | (3,226) | (113,956) |
| General and administrative expenses | (11,348) | (7,884) | (11,132) | — | (30,364) | (52,415) | (82,779) |
| Net (loss)/income from unconsolidated entities | — | (28) | 79 | 3,001 | 3,052 | (424) | 2,628 |
| Interest and other (expense)/income, net ⁽³⁾ | (560) | (2,861) | (3,109) | 604 | (5,926) | (5,038) | (10,964) |
| Income before income taxes | \$ 124,530 | \$ 79,774 | \$ 98,237 | \$ 24,415 | \$ 326,956 | \$ (59,739) | \$ 267,217 |

⁽¹⁾ Includes the activity from our Build-To-Rent and Urban Form operations.

⁽²⁾ Includes corporate marketing expense allocations.

⁽³⁾ Interest and other (expense)/income, net includes pre-acquisition write-offs on terminated projects.

| Six Months Ended June 30, 2025 | | | | | | | |
|---|--------------|------------|--------------|--------------------|--|--|--------------|
| | East | Central | West | Financial Services | Operating and Reporting Segment Subtotal | Corporate and Unallocated ⁽¹⁾ | Total |
| Home closings revenue, net | \$ 1,320,911 | \$ 959,280 | \$ 1,515,977 | \$ — | \$ 3,796,168 | \$ — | \$ 3,796,168 |
| All other revenue | 11,496 | 4,142 | 1,324 | 104,122 | 121,084 | 8,837 | 129,921 |
| Total revenue | 1,332,407 | 963,422 | 1,517,301 | 104,122 | 3,917,252 | 8,837 | 3,926,089 |
| Cost of home closings | 1,014,685 | 737,726 | 1,165,849 | — | 2,918,260 | — | 2,918,260 |
| All other cost of sales | 12,205 | 3,157 | 1,414 | 54,197 | 70,973 | 6,094 | 77,067 |
| Total cost of revenue | 1,026,890 | 740,883 | 1,167,263 | 54,197 | 2,989,233 | 6,094 | 2,995,327 |
| Home closings gross margin | 306,226 | 221,554 | 350,128 | — | 877,908 | — | 877,908 |
| Total gross margin | 305,517 | 222,539 | 350,038 | 49,925 | 928,019 | 2,743 | 930,762 |
| Sales, commissions and other marketing costs ⁽²⁾ | (84,192) | (62,664) | (73,617) | — | (220,473) | (4,992) | (225,465) |
| General and administrative expenses | (25,611) | (15,997) | (23,349) | — | (64,957) | (69,246) | (134,203) |
| Net (loss)/income from unconsolidated entities | — | 117 | (2,589) | 7,125 | 4,653 | (2,352) | 2,301 |
| Interest and other (expense)/income, net ⁽³⁾ | (8,343) | (8,081) | (14,744) | 658 | (30,510) | (1,053) | (31,563) |
| Income before income taxes | \$ 187,371 | \$ 135,914 | \$ 235,739 | \$ 57,708 | \$ 616,732 | \$ (74,900) | \$ 541,832 |

⁽¹⁾ Includes the activity from our Build-To-Rent and Urban Form operations.

⁽²⁾ Includes corporate marketing expense allocations.

⁽³⁾ Interest and other (expense)/income, net includes pre-acquisition write-offs on terminated projects.

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Six Months Ended June 30, 2024

| | East | Central | West | Financial Services | Operating and Reporting Segment Subtotal | Corporate and Unallocated ⁽¹⁾ | Total |
|---|--------------|------------|--------------|--------------------|--|--|--------------|
| Home closings revenue, net | \$ 1,232,859 | \$ 952,554 | \$ 1,370,969 | \$ — | \$ 3,556,382 | \$ — | \$ 3,556,382 |
| All other revenue | 9,081 | 19,342 | 936 | 95,875 | 125,234 | 9,189 | 134,423 |
| Total revenue | 1,241,940 | 971,896 | 1,371,905 | 95,875 | 3,681,616 | 9,189 | 3,690,805 |
| Cost of home closings | 906,727 | 708,038 | 1,091,150 | — | 2,705,915 | — | 2,705,915 |
| All other cost of sales | 11,173 | 16,998 | 7,757 | 53,249 | 89,177 | 6,580 | 95,757 |
| Total cost of revenue | 917,900 | 725,036 | 1,098,907 | 53,249 | 2,795,092 | 6,580 | 2,801,672 |
| Home closings gross margin | 326,132 | 244,516 | 279,819 | — | 850,467 | — | 850,467 |
| Total gross margin | 324,040 | 246,860 | 272,998 | 42,626 | 886,524 | 2,609 | 889,133 |
| Sales, commissions and other marketing costs ⁽²⁾ | (76,772) | (64,892) | (71,216) | — | (212,880) | (3,676) | (216,556) |
| General and administrative expenses | (22,491) | (14,466) | (21,598) | — | (58,555) | (91,788) | (150,343) |
| Net income/(loss) from unconsolidated entities | — | (69) | 53 | 5,898 | 5,882 | (503) | 5,379 |
| Interest and other (expense)/income, net ⁽³⁾ | (1,387) | (5,276) | (6,627) | 1,334 | (11,956) | 440 | (11,516) |
| Income before income taxes | \$ 223,390 | \$ 162,157 | \$ 173,610 | \$ 49,858 | \$ 609,015 | \$ (92,918) | \$ 516,097 |

⁽¹⁾ Includes the activity from our Build-To-Rent and Urban Form operations.

⁽²⁾ Includes corporate marketing expense allocations.

⁽³⁾ Interest and other (expense)/income, net includes pre-acquisition write-offs on terminated projects.

As of June 30, 2025

| | East | Central | West | Financial Services | Operating and Reporting Segment Subtotal | Corporate and Unallocated ⁽¹⁾ | Total |
|---|--------------|--------------|--------------|--------------------|--|--|--------------|
| Real estate inventory and land deposits | \$ 2,566,246 | \$ 1,241,376 | \$ 3,050,635 | \$ — | \$ 6,858,257 | \$ — | \$ 6,858,257 |
| Investments in unconsolidated entities | 91,378 | 194,889 | 87,324 | 5,483 | 379,074 | 95,610 | 474,684 |
| Other assets | 197,505 | 237,208 | 597,561 | 309,984 | 1,342,258 | 775,445 | 2,117,703 |
| Total assets | \$ 2,855,129 | \$ 1,673,473 | \$ 3,735,520 | \$ 315,467 | \$ 8,579,589 | \$ 871,055 | \$ 9,450,644 |

⁽¹⁾ Includes the assets from our Build-To-Rent and Urban Form operations.

As of December 31, 2024

| | East | Central | West | Financial Services | Operating and Reporting Segment Subtotal | Corporate and Unallocated ⁽¹⁾ | Total |
|---|--------------|--------------|--------------|--------------------|--|--|--------------|
| Real estate inventory and land deposits | \$ 2,389,791 | \$ 1,296,272 | \$ 2,847,689 | \$ — | \$ 6,533,752 | \$ — | \$ 6,533,752 |
| Investments in unconsolidated entities | 86,378 | 164,434 | 94,864 | 5,483 | 351,159 | 88,562 | 439,721 |
| Other assets | 173,489 | 225,846 | 610,212 | 297,107 | 1,306,654 | 1,017,004 | 2,323,658 |
| Total assets | \$ 2,649,658 | \$ 1,686,552 | \$ 3,552,765 | \$ 302,590 | \$ 8,191,565 | \$ 1,105,566 | \$ 9,297,131 |

⁽¹⁾ Includes the assets from our Build-To-Rent and Urban Form operations.

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13. COMMITMENTS AND CONTINGENCIES

Letters of Credit and Surety Bonds — We are committed, under various letters of credit and surety bonds, to perform certain development and construction activities and provide certain guarantees in the normal course of business. Outstanding letters of credit and surety bonds under these arrangements totaled \$1.5 billion as of June 30, 2025 and \$1.4 billion as of December 31, 2024. Although significant development and construction activities have been completed related to these site improvements, the bonds are generally not released until all development and construction activities are completed. We do not believe that it is probable that any outstanding bonds as of June 30, 2025 will be drawn upon.

Purchase Commitments — We are subject to the usual obligations associated with entering into contracts (including land option contracts and land banking arrangements) for the purchase, development, and sale of real estate in the routine course of our business. We have a number of land purchase option contracts and land banking agreements, generally through cash deposits, for the right to purchase land or lots at a future point in time with predetermined terms. We do not have title to the property and the property owner and its creditors generally have no recourse to the Company. Our exposure with respect to such contracts are generally limited to the forfeiture of the related non-refundable cash deposits. The aggregate purchase price for land under these contracts was \$2.1 billion at June 30, 2025 and \$1.9 billion at December 31, 2024, respectively.

Legal Proceedings — We are involved in various litigation and legal claims in the normal course of business, including actions brought on behalf of various classes of claimants. We are also subject to a variety of local, state, and federal laws and regulations related to land development activities, house construction standards, sales practices, mortgage lending operations, employment practices, and protection of the environment. As a result, we are subject to periodic examination or inquiry by various governmental agencies that administer these laws and regulations.

We establish liabilities for legal claims and regulatory matters when such matters are both probable of occurring and any potential loss can be reasonably estimated. At June 30, 2025 and December 31, 2024, our legal accruals were \$52.3 million and \$49.1 million, respectively which is included in Accrued expenses and other liabilities on the unaudited Condensed consolidated balance sheets. We accrue for such matters based on the facts and circumstances specific to each matter and revise these estimates as the matters evolve. In such cases, there may exist an exposure to loss in excess of any amounts currently accrued. Predicting the ultimate resolution of the pending matters, the related timing, or the eventual loss associated with these matters is inherently difficult. Accordingly, the liability arising from the ultimate resolution of any matter may exceed the estimate reflected in the accrued liabilities relating to such matter. While the outcome of such contingencies cannot be predicted with certainty, we do not believe that the resolution of such matters will have a material adverse impact on our results of operations, financial position, or cash flows.

On April 26, 2017, a class action complaint was filed in the Circuit Court of the Tenth Judicial Circuit in and for Polk County, Florida by Norman Gundel, William Mann, and Brenda Taylor against Avatar Properties, Inc., (an acquired AV Homes entity) ("Avatar"), generally alleging that our collection of club membership fees in connection with the use of one of our amenities in our East homebuilding segment violated various laws relating to homeowner associations and other Florida-specific laws (the "Solivita litigation"). The class action complaint sought an injunction to prohibit future collection of club membership fees. On November 2, 2021, the court determined that the club membership fees were improper and that plaintiffs were entitled to \$35.0 million in fee reimbursements. We appealed the court's ruling to the Sixth District Court of Appeal (the "District Court") on November 29, 2021, and the plaintiffs agreed to continue to pay club membership fees pending the outcome of the appeal. On June 23, 2023, the District Court affirmed the trial court judgment in a split decision, with three separate opinions. Recognizing the potential "far-reaching effects on homeowners associations throughout the State," the District Court certified a question of great public importance to the Florida Supreme Court, and we filed a notice to invoke the discretionary review of the Florida Supreme Court. On November 2, 2023, the Florida Supreme Court declined to exercise jurisdiction. Following the Florida Supreme Court's decision, we paid \$64.7 million to the plaintiffs during the quarter ended December 31, 2023, which included the amount of the trial court's judgment, club membership fees received during the pendency of our appeal, pre- and post-judgment interest. The Court held evidentiary hearings on July 29 and 30, 2024 with respect to the plaintiffs' claims for additional pre-judgment interest and legal fees and heard closing argument on August 13, 2024. On November 4, 2024, the Tenth Judicial Circuit Court for Polk County, Florida issued an order granting the plaintiffs' motion for attorneys' fees and taxable costs and denied their motion for pre-judgment interest at a rate higher than the Florida statutory rate. The Court awarded plaintiffs \$22.5 million for attorneys' fees, \$0.6 million for pre-judgment interest at the statutory rate of 9.46%, and \$0.6 million for reimbursement of taxable costs. We filed a notice of appeal and have recorded an accrual with respect to our estimated liability for the plaintiffs' legal fees and costs for this matter, which is reflected in our legal accruals as of June 30, 2025.

After reviewing our amenity arrangements in our Florida communities to determine whether such arrangements might subject the Company to liability in light of the outcome of the Solivita litigation described above, we identified one additional community with similar arrangements. On August 13, 2020, Slade Chelbian, a resident of our Bellalago community in Kissimmee, Florida, filed a purported class action suit against Avatar, AV Homes, Inc. and Taylor Morrison Home Corporation in the Circuit Court of the Ninth Circuit in and for Osceola County, Florida, generally alleging that Avatar cannot earn profits from community members for use of club amenities where membership in the club is mandatory for all residents and failure to pay club membership fees could result in the foreclosure of their homes by Avatar. Trial has been scheduled to

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commence in the first quarter of 2026. While the ultimate outcome and the costs associated with litigation are inherently uncertain and difficult to predict, we have recorded an accrual for our estimated liability for this matter, which is reflected in our legal accruals as of June 30, 2025.

Leases — Our leases primarily consist of office space, construction trailers, model home leasebacks, a ground lease, equipment, and storage units. We assess each of these contracts to determine whether the arrangement contains a lease as defined by ASC 842, *Leases*. Lease obligations were \$74.4 million and \$79.0 million as of June 30, 2025 and December 31, 2024, respectively. We recorded lease expense of approximately \$4.7 million and \$9.7 million for the three and six months ended June 30, 2025, respectively, and \$5.6 million and \$11.5 million for the three and six months ended June 30, 2024, respectively, within General and administrative expenses on our unaudited Condensed consolidated statements of operations.

14. MORTGAGE HEDGING ACTIVITIES

The following summarizes derivative instrument assets/(liabilities) as of the periods presented:

| (Dollars in thousands) | As of | | | |
|------------------------|--------------------|--------------------------------|-------------------|--------------------------------|
| | June 30, 2025 | | December 31, 2024 | |
| | Fair Value | Notional Amount ⁽¹⁾ | Fair Value | Notional Amount ⁽¹⁾ |
| IRLCs | \$ (4,388) | \$ 302,992 | \$ (5,917) | \$ 233,881 |
| MBSs | (6,696) | 504,000 | 4,174 | 405,000 |
| Total | \$ (11,084) | | \$ (1,743) | |

⁽¹⁾ The notional amounts in the table above include mandatory and best effort mortgages, that have been locked and approved.

Total commitments to originate loans approximated \$327.7 million and \$246.1 million as of June 30, 2025 and December 31, 2024, respectively. This amount represents the commitments to originate loans that have been locked and approved by underwriting. The notional amounts in the table above includes mandatory and best effort loans that have been locked and approved by underwriting.

We have exposure to credit loss in the event of contractual non-performance by our trading counterparties in derivative instruments that we use in our interest rate risk management activities. We manage this credit risk by selecting only counterparties that we believe to be financially strong, spreading the risk among multiple counterparties, placing contractual limits on the amount of unsecured credit extended to any single counterparty, and entering into netting agreements with counterparties, as appropriate. Commitments to originate loans do not necessarily reflect future cash requirements as some commitments are expected to expire without being drawn upon.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For purposes of this "Management's Discussion and Analysis of Financial Condition and Results of Operations," the terms "the Company," "we," "us," or "our" refer to Taylor Morrison Home Corporation ("TMHC") and its subsidiaries. This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our unaudited Condensed consolidated financial statements included elsewhere in this quarterly report.

Forward-Looking Statements

This quarterly report includes certain forward-looking statements within the meaning of the federal securities laws regarding, among other things, our intentions, plans, beliefs, expectations or predictions of future events, which are considered forward-looking statements. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business and operations strategy. These statements often include words such as "may," "will," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate," "can," "could," "might," "project" or similar expressions. These statements are based upon assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors that we believe are appropriate under the circumstances. As you read this quarterly report, you should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions, including those described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 (the "Annual Report") and in our subsequent filings with the U.S. Securities and Exchange Commission (the "SEC"). Although we believe that these forward-looking statements are based upon reasonable assumptions and currently available information, you should be aware that many factors, including those described under the heading "Risk Factors" in the Annual Report and in our subsequent filings with the SEC, could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements.

Our forward-looking statements made herein are made only as of the date of this quarterly report. We expressly disclaim any intent, obligation or undertaking to update or revise any forward-looking statements made herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based, except as required by applicable law.

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Business Overview

Our principal business is residential homebuilding and the development of lifestyle communities with operations across 12 states. We provide an assortment of homes across a wide range of price points to appeal to an array of consumer groups. We design, build and sell single and multi-family detached and attached homes in traditionally high growth markets for entry level, move-up, and resort-lifestyle buyers. We operate under various brand names including Taylor Morrison, Darling Homes Collection by Taylor Morrison, and Esplanade. We also have a “Build-to-Rent” homebuilding business which operates under the Yardly brand name. In addition, we develop and construct multi-use properties consisting of commercial space, retail, and multi-family properties under the Urban Form brand name. We also have operations which provide financial services to customers through our wholly owned mortgage subsidiary, TMHF, title services through our wholly owned title services subsidiary, Inspired Title, and homeowner’s insurance policies through our wholly owned insurance agency, TMIS. Our business is organized into multiple homebuilding operating components, and a financial services component, all of which are organized as four reportable segments: East, Central, West and Financial Services, as follows:

| | |
|--------------------|--|
| East | Atlanta, Charlotte, Jacksonville, Naples, Orlando, Raleigh, Sarasota, and Tampa |
| Central | Austin, Dallas, Denver, Houston, and Indianapolis |
| West | Bay Area, Las Vegas, Phoenix, Portland, Sacramento, Seattle, and Southern California |
| Financial Services | Taylor Morrison Home Funding, Inspired Title & Escrow Services, and Taylor Morrison Insurance Services |

As of June 30, 2025, we employed approximately 3,000 full-time equivalent persons. Of these, approximately 2,600 were engaged in corporate and homebuilding operations, and the remaining approximately 400 were engaged in financial services.

Factors Affecting Comparability of Results

For the three and six months ended June 30, 2025, we recognized \$6.8 million and \$21.6 million in inventory impairment charges, respectively. For the three and six months ended June 30, 2024, we recognized \$2.3 million in inventory impairment charges, respectively. Inventory impairment charges are recorded to Cost of home closings on the unaudited Condensed consolidated statements of operations.

For the three and six months ended June 30, 2025, we recognized an incremental \$6.9 million and \$7.7 million warranty charge, respectively, for a specific repair issue in our East region. We did not incur or recognize such warranty charge in the same periods in the prior year. Warranty charges are recorded to Cost of home closings on the unaudited Condensed consolidated statement of operations. Although we believe we have identified substantially all homes impacted by the repair issue, it is reasonably possible that the estimated liability will change as a result of our evaluation of potential changes in the estimated repair costs and the number of homes impacted.

Second Quarter 2025 Highlights (all comparisons are of the current quarter to the prior year quarter, unless otherwise indicated):

- Home closings revenue of \$2.0 billion, up 2%
 - 3,340 closings, up 4%, at an average price of \$589,000, down 2%
- Home closings gross margin of 22.3% and adjusted home closings gross margin of 23.0%
- 90 basis points of SG&A expense leverage to 9.3% of home closings revenue
- Net sales orders of 2,733, down 12%
 - Monthly absorption pace of 2.6 per community, down from 3.0
 - Ending active selling communities of 345, down 1%
- 85,051 homebuilding lots owned and controlled
 - 60% controlled off balance sheet, up from 57% a year ago
- Total homebuilding land spend of \$612 million, of which 43% was development related
- Repurchased 1.7 million common shares for \$100 million
- Total liquidity of \$1.1 billion

Results of Operations

The following table sets forth our results of operations for the periods presented:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|-------------------|------------------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| (Dollars in thousands) | | | | |
| Statements of Operations Data: | | | | |
| Home closings revenue, net | \$ 1,966,100 | \$ 1,920,127 | \$ 3,796,168 | \$ 3,556,382 |
| Land closings revenue | 421 | 13,234 | 4,682 | 20,459 |
| Financial services revenue, net | 52,929 | 48,916 | 104,122 | 95,875 |
| Amenity and other revenue | 10,620 | 8,776 | 21,117 | 18,089 |
| Total revenue | 2,030,070 | 1,991,053 | 3,926,089 | 3,690,805 |
| Cost of home closings | 1,526,900 | 1,462,706 | 2,918,260 | 2,705,915 |
| Cost of land closings | 207 | 18,703 | 3,696 | 23,905 |
| Financial services expenses | 25,876 | 28,106 | 54,197 | 53,249 |
| Amenity and other expenses | 9,599 | 9,250 | 19,174 | 18,603 |
| Total cost of revenue | 1,562,582 | 1,518,765 | 2,995,327 | 2,801,672 |
| Gross margin | 467,488 | 472,288 | 930,762 | 889,133 |
| Sales, commissions and other marketing costs | 116,389 | 113,956 | 225,465 | 216,556 |
| General and administrative expenses | 66,655 | 82,779 | 134,203 | 150,343 |
| Net income from unconsolidated entities | (326) | (2,628) | (2,301) | (5,379) |
| Interest expense, net | 13,819 | 4,087 | 22,318 | 4,044 |
| Other expense, net | 7,688 | 6,877 | 9,245 | 7,472 |
| Income before income taxes | 263,263 | 267,217 | 541,832 | 516,097 |
| Income tax provision | 67,278 | 67,303 | 132,116 | 125,022 |
| Net income before allocation to non-controlling interests | 195,985 | 199,914 | 409,716 | 391,075 |
| Net income attributable to non-controlling interests | (2,408) | (454) | (2,673) | (1,345) |
| Net income | \$ 193,577 | \$ 199,460 | \$ 407,043 | \$ 389,730 |
| Home closings gross margin | 22.3 % | 23.8 % | 23.1 % | 23.9 % |
| Sales, commissions and other marketing costs as a percentage of home closings revenue, net | 5.9 % | 5.9 % | 5.9 % | 6.1 % |
| General and administrative expenses as a percentage of home closings revenue, net | 3.4 % | 4.3 % | 3.5 % | 4.2 % |

Non-GAAP Measures

In addition to the results reported in accordance with GAAP, we have provided information in this quarterly report relating to: (i) adjusted net income and adjusted earnings per common share, (ii) adjusted income before income taxes and related margin, (iii) adjusted home closings gross margin, (iv) EBITDA and Adjusted EBITDA and (v) net homebuilding debt to capitalization ratio.

Adjusted net income, adjusted earnings per common share and adjusted income before income taxes and related margin are non-GAAP financial measures that reflect the net income/(loss) available to the Company excluding, to the extent applicable in a given period, the impact of real estate impairment charges inclusive of inventory impairment charges, impairment of investments in unconsolidated entities, pre-acquisition abandonment charges, certain warranty charges, gains/losses on land transfers to joint ventures, extinguishment of debt, net, and legal reserves or settlements that the Company deems not to be in the ordinary course of business and in the case of adjusted net income and adjusted earnings per common share, the tax impact due to such items.

EBITDA and Adjusted EBITDA are non-GAAP financial measures that measure performance by adjusting net income before allocation to non-controlling interests to exclude interest expense/(income), net, amortization of capitalized interest, income tax provision, depreciation and amortization to calculate EBITDA. Adjusted EBITDA further excludes non-cash compensation expense, if any, real estate impairment charges inclusive of inventory impairment charges, impairment of investments in unconsolidated entities, pre-acquisition abandonment charges, certain warranty charges, gains/losses on land transfers to joint ventures, extinguishment of debt, net and legal reserves or settlements that the Company deems not to be in the ordinary course of business.

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 facilities 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).

Adjusted home closings gross margin is a non-GAAP financial measure based on GAAP home closings gross margin (which is inclusive of capitalized interest), excluding inventory impairment charges and certain warranty charges.

Management uses these non-GAAP financial measures to evaluate our performance on a consolidated basis, as well as the performance of our segments, and to set targets for performance-based compensation. We also use the net homebuilding debt to capitalization ratio as an indicator of overall financial leverage and to evaluate our performance against other companies in the homebuilding industry. In the future, we may include additional adjustments in the above-described non-GAAP financial measures to the extent we deem them appropriate and useful to management and investors.

We believe that adjusted net income, adjusted earnings per common share, adjusted income before income taxes and related margin, as well as EBITDA and Adjusted EBITDA, are useful for investors in order to allow them to evaluate our operations without the effects of various items we do not believe are characteristic of our ongoing operations or performance and also because such metrics assist both investors and management in analyzing and benchmarking the performance and value of our business. Adjusted EBITDA also provides an indicator of general economic performance that is not affected by fluctuations in interest rates or effective tax rates, levels of depreciation or amortization, or unusual items. Because we use the net homebuilding debt to capitalization ratio 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. We believe that adjusted home closings gross margin is useful to investors because it allows investors to evaluate the performance of our homebuilding operations without the varying effects of items or transactions we do not believe are characteristic of our ongoing operations or performance.

These 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.

A reconciliation of adjusted net income, adjusted earnings per common share, adjusted income before income taxes and related margin, adjusted home closings gross margin, EBITDA, Adjusted EBITDA, and net homebuilding debt to capitalization ratio to the comparable GAAP measures follows.

Adjusted Net Income and Adjusted Earnings Per Common Share

| <i>(Dollars in thousands, except per share data)</i> | Three Months Ended June 30, | |
|--|-----------------------------|------------|
| | 2025 | 2024 |
| Net income | \$ 193,577 | \$ 199,460 |
| Real estate impairment charges | 6,754 | 9,107 |
| Warranty charge | 6,868 | — |
| Legal reserves and/or settlements | — | 6,290 |
| Tax impact of non-GAAP reconciling items | (3,481) | (3,878) |
| Adjusted net income | \$ 203,718 | \$ 210,979 |
| Basic weighted average number of shares | 99,537 | 105,500 |
| Adjusted earnings per common share - Basic | \$ 2.05 | \$ 2.00 |
| Diluted weighted average number of shares | 100,923 | 107,249 |
| Adjusted earnings per common share - Diluted | \$ 2.02 | \$ 1.97 |

Adjusted Income Before Income Taxes and Related Margin

| <i>(Dollars in thousands)</i> | Three Months Ended June 30, | |
|--|-----------------------------|--------------|
| | 2025 | 2024 |
| Income before income taxes | \$ 263,263 | \$ 267,217 |
| Real estate impairment charges | 6,754 | 9,107 |
| Warranty charge | 6,868 | — |
| Legal reserves and/or settlements | — | 6,290 |
| Adjusted income before income taxes | \$ 276,885 | \$ 282,614 |
| Total revenue | \$ 2,030,070 | \$ 1,991,053 |
| Income before income taxes margin | 13.0 % | 13.4 % |
| Adjusted income before income taxes margin | 13.6 % | 14.2 % |

Adjusted Home Closings Gross Margin

| <i>(Dollars in thousands)</i> | Three Months Ended June 30, | |
|--|-----------------------------|--------------|
| | 2025 | 2024 |
| Home closings revenue, net | \$ 1,966,100 | \$ 1,920,127 |
| Cost of home closings | 1,526,900 | 1,462,706 |
| Home closings gross margin | \$ 439,200 | \$ 457,421 |
| Inventory impairment charges | 6,754 | 2,325 |
| Warranty charge | 6,868 | — |
| Adjusted home closings gross margin | \$ 452,822 | \$ 459,746 |
| Home closings gross margin as a percentage of home closings revenue | 22.3 % | 23.8 % |
| Adjusted home closings gross margin as a percentage of home closings revenue | 23.0 % | 23.9 % |

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EBITDA and Adjusted EBITDA Reconciliation

| | Three Months Ended June 30, | |
|--|-----------------------------|--------------|
| | 2025 | 2024 |
| <i>(Dollars in thousands)</i> | | |
| Net income before allocation to non-controlling interests | \$ 195,985 | \$ 199,914 |
| Interest expense, net | 13,819 | 4,087 |
| Amortization of capitalized interest | 25,773 | 28,303 |
| Income tax provision | 67,278 | 67,303 |
| Depreciation and amortization | 1,905 | 3,450 |
| EBITDA | \$ 304,760 | \$ 303,057 |
| Non-cash compensation expense | 8,015 | 6,072 |
| Real estate impairment charges | 6,754 | 9,107 |
| Warranty charge | 6,868 | — |
| Legal reserves and/or settlements | — | 6,290 |
| Adjusted EBITDA | \$ 326,397 | \$ 324,526 |
| Total revenue | \$ 2,030,070 | \$ 1,991,053 |
| Net income before allocation to non-controlling interests as a percentage of total revenue | 9.7 % | 10.0 % |
| EBITDA as a percentage of total revenue | 15.0 % | 15.2 % |
| Adjusted EBITDA as a percentage of total revenue | 16.1 % | 16.3 % |

Net Homebuilding Debt to Capitalization Ratio Reconciliation

| | As of June 30, 2025 | As of March 31, 2025 | As of June 30, 2024 |
|---|------------------------|-------------------------|------------------------|
| | | | |
| <i>(Dollars in thousands)</i> | | | |
| Total debt | \$ 2,099,377 | \$ 2,083,599 | \$ 2,150,021 |
| Plus: unamortized debt issuance cost, net | 5,737 | 6,177 | 7,496 |
| Less: mortgage warehouse facilities borrowings | (171,319) | (175,741) | (276,205) |
| Total homebuilding debt | \$ 1,933,795 | \$ 1,914,035 | \$ 1,881,312 |
| Total stockholders' equity | 6,057,862 | 5,957,524 | 5,526,542 |
| Total capitalization | \$ 7,991,657 | \$ 7,871,559 | \$ 7,407,854 |
| Total homebuilding debt to capitalization ratio | 24.2 % | 24.3 % | 25.4 % |
| Total homebuilding debt | 1,933,795 | 1,914,035 | 1,881,312 |
| Less: cash and cash equivalents | (130,174) | (377,815) | (246,845) |
| Net homebuilding debt | \$ 1,803,621 | \$ 1,536,220 | \$ 1,634,467 |
| Total stockholders' equity | \$ 6,057,862 | \$ 5,957,524 | \$ 5,526,542 |
| Total capitalization | \$ 7,861,483 | \$ 7,493,744 | \$ 7,161,009 |
| Net homebuilding debt to capitalization ratio | 22.9 % | 20.5 % | 22.8 % |

TAYLOR MORRISON HOME CORPORATION 10-Q

Three and six months ended June 30, 2025 compared to three and six months ended June 30, 2024

Ending Active Selling Communities

| | As of June 30, | | Change |
|---------|----------------|------|----------|
| | 2025 | 2024 | |
| East | 135 | 122 | 10.7 % |
| Central | 95 | 106 | (10.4 %) |
| West | 115 | 119 | (3.4 %) |
| Total | 345 | 347 | (0.6 %) |

The total ending active selling communities remained relatively consistent at June 30, 2025 compared to June 30, 2024. The East segment had multiple community openings, including master planned communities which resulted in an increase in outlets that was offset by the West and Central regions which closed-out several higher paced communities in certain markets.

Net Sales Orders

| (Dollars in thousands) | Three Months Ended June 30, | | | | | | | | |
|------------------------|---------------------------------|-------|----------|----------------------------|--------------|----------|-----------------------|--------|----------|
| | Net Sales Orders ⁽¹⁾ | | | Sales Value ⁽¹⁾ | | | Average Selling Price | | |
| | 2025 | 2024 | Change | 2025 | 2024 | Change | 2025 | 2024 | Change |
| East | 1,147 | 1,160 | (1.1 %) | \$ 588,529 | \$ 616,846 | (4.6 %) | \$ 513 | \$ 532 | (3.6 %) |
| Central | 731 | 815 | (10.3 %) | 355,673 | 485,036 | (26.7 %) | 487 | 595 | (18.2 %) |
| West | 855 | 1,136 | (24.7 %) | 599,036 | 767,925 | (22.0 %) | 701 | 676 | 3.7 % |
| Total | 2,733 | 3,111 | (12.2 %) | \$ 1,543,238 | \$ 1,869,807 | (17.5 %) | \$ 565 | \$ 601 | (6.0 %) |

| (Dollars in thousands) | Six Months Ended June 30, | | | | | | | | |
|------------------------|---------------------------------|-------|----------|----------------------------|--------------|----------|-----------------------|--------|----------|
| | Net Sales Orders ⁽¹⁾ | | | Sales Value ⁽¹⁾ | | | Average Selling Price | | |
| | 2025 | 2024 | Change | 2025 | 2024 | Change | 2025 | 2024 | Change |
| East | 2,538 | 2,455 | 3.4 % | \$ 1,309,556 | \$ 1,393,707 | (6.0 %) | \$ 516 | \$ 568 | (9.2 %) |
| Central | 1,598 | 1,719 | (7.0 %) | 805,035 | 963,455 | (16.4 %) | 504 | 560 | (10.0 %) |
| West | 1,971 | 2,623 | (24.9 %) | 1,427,941 | 1,752,408 | (18.5 %) | 724 | 668 | 8.4 % |
| Total | 6,107 | 6,797 | (10.2 %) | \$ 3,542,532 | \$ 4,109,570 | (13.8 %) | \$ 580 | \$ 605 | (4.1 %) |

(1) Net sales orders and sales value represent the number and dollar value, respectively, of new sales contracts executed with customers, net of cancellations.

Net sales orders decreased 12.2% and 10.2% for the three and six months ended June 30, 2025, compared to the same periods in the prior year. The decrease in the Central region was primarily due to community close-outs and the decrease in the West region was primarily due to an increase in cancellations. We continue to offer our buyers various incentives, discounts, and financing programs to drive sales orders, however economic conditions such as mortgage interest rates that remain high, contributed to the overall decrease in net sales orders. In addition, incentives and discounts as well a net sales orders mix led to the decrease in the average selling price for the three and six months ended June 30, 2025, compared to the same periods in the prior year.

Sales Order Cancellations

| | Cancellation Rate ⁽¹⁾ | | | |
|---------------|----------------------------------|-------|------------------------------|-------|
| | Three Months Ended June 30, | | Six Months Ended June 30, | |
| | 2025 | 2024 | 2025 | 2024 |
| East | 14.3 % | 9.5 % | 12.2 % | 7.6 % |
| Central | 11.8 % | 9.1 % | 10.4 % | 8.9 % |
| West | 17.2 % | 9.5 % | 14.9 % | 8.1 % |
| Total Company | 14.6 % | 9.4 % | 12.6 % | 8.1 % |

⁽¹⁾ Cancellation rate represents the number of canceled sales orders divided by gross sales orders.

The total company cancellation rate increased for the three and six months ended June 30, 2025, compared to the same periods in the prior year. We believe the higher cancellation rate for the three and six months ended June 30, 2025 was driven by general market conditions, including the ability of homeowners to sell their current home prior to closing on a new home. In addition, we have reduced required customer deposits as means of stimulating new sales orders which can further contribute to higher cancellation rates.

| (Dollars in thousands) | As of June 30, | | | | | | | | |
|------------------------|--------------------------------------|-------|----------|--------------|--------------|----------|-----------------------|--------|---------|
| | Sold Homes in Backlog ⁽¹⁾ | | | Sales Value | | | Average Selling Price | | |
| | 2025 | 2024 | Change | 2025 | 2024 | Change | 2025 | 2024 | Change |
| East | 1,840 | 2,356 | (21.9 %) | \$ 1,179,529 | \$ 1,641,116 | (28.1 %) | \$ 641 | \$ 697 | (8.0 %) |
| Central | 888 | 1,423 | (37.6 %) | 514,330 | 875,064 | (41.2 %) | 579 | 615 | (5.9 %) |
| West | 1,733 | 2,477 | (30.0 %) | 1,244,653 | 1,681,639 | (26.0 %) | 718 | 679 | 5.7 % |
| Total | 4,461 | 6,256 | (28.7 %) | \$ 2,938,512 | \$ 4,197,819 | (30.0 %) | \$ 659 | \$ 671 | (1.8 %) |

⁽¹⁾ Sales order backlog represents homes under contract for which revenue has not yet been recognized at the end of the period (including homes sold but not yet started). Some of the contracts in our sales order backlog are subject to contingencies including mortgage loan approval and buyers selling their existing homes, which can result in cancellations.

Total sold homes in backlog and total sales value decreased by 28.7% and 30.0% at June 30, 2025 compared to June 30, 2024, respectively. The decrease in units is primarily due to fewer net sales orders in the current period compared to the same period in the prior year, as well as improved construction cycle times and more quick-move-in homes which sold and closed during the six months ended June 30, 2025 compared to the same period in the prior year. Incentives and discounts as well as net sales orders mix led to the decrease in the average selling price.

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Home Closings Revenue

| (Dollars in thousands) | Three Months Ended June 30, | | | | | | | | |
|------------------------|-----------------------------|-------|---------|----------------------------|--------------|--------|-----------------------|--------|---------|
| | Homes Closed | | | Home Closings Revenue, Net | | | Average Selling Price | | |
| | 2025 | 2024 | Change | 2025 | 2024 | Change | 2025 | 2024 | Change |
| East | 1,325 | 1,237 | 7.1 % | \$ 695,198 | \$ 691,129 | 0.6 % | \$ 525 | \$ 559 | (6.1 %) |
| Central | 925 | 864 | 7.1 % | 481,786 | 480,522 | 0.3 % | 521 | 556 | (6.3 %) |
| West | 1,090 | 1,099 | (0.8 %) | 789,116 | 748,476 | 5.4 % | 724 | 681 | 6.3 % |
| Total | 3,340 | 3,200 | 4.4 % | \$ 1,966,100 | \$ 1,920,127 | 2.4 % | \$ 589 | \$ 600 | (1.8 %) |

| (Dollars in thousands) | Six Months Ended June 30, | | | | | | | | |
|------------------------|---------------------------|-------|--------|----------------------------|--------------|--------|-----------------------|--------|---------|
| | Homes Closed | | | Home Closings Revenue, Net | | | Average Selling Price | | |
| | 2025 | 2024 | Change | 2025 | 2024 | Change | 2025 | 2024 | Change |
| East | 2,435 | 2,170 | 12.2 % | \$ 1,320,911 | \$ 1,232,859 | 7.1 % | \$ 542 | \$ 568 | (4.6 %) |
| Central | 1,808 | 1,696 | 6.6 % | 959,280 | 952,554 | 0.7 % | 531 | 562 | (5.5 %) |
| West | 2,145 | 2,065 | 3.9 % | 1,515,977 | 1,370,969 | 10.6 % | 707 | 664 | 6.5 % |
| Total | 6,388 | 5,931 | 7.7 % | \$ 3,796,168 | \$ 3,556,382 | 6.7 % | \$ 594 | \$ 600 | (1.0 %) |

The number of homes closed increased by 4.4% and 7.7% for the three and six months ended June 30, 2025, compared to the same periods in the prior year. The increases are generally due to improved cycle times across various markets and the higher number of quick-move-in homes which sold and closed within the three and six months ended June 30, 2025 as compared to the same periods in the prior year. In addition, the East region had several master plan communities that began closing homes during the current year periods. Incentives and discounts as well as net sales orders mix led to the decrease in the average selling price for the three and six months ended June 30, 2025, compared to the same periods in the prior year.

Segment Home Closings Gross Margins

| (Dollars in thousands) | Three Months Ended June 30, | | | | | | | |
|---------------------------------------|-----------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| | East | | Central | | West | | Consolidated | |
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Home closings revenue, net | \$ 695,198 | \$ 691,129 | \$ 481,786 | \$ 480,522 | \$ 789,116 | \$ 748,476 | \$ 1,966,100 | \$ 1,920,127 |
| Cost of home closings | 541,132 | 511,400 | 376,069 | 358,877 | 609,699 | 592,429 | 1,526,900 | 1,462,706 |
| Home closings gross margin | \$ 154,066 | \$ 179,729 | \$ 105,717 | \$ 121,645 | \$ 179,417 | \$ 156,047 | \$ 439,200 | \$ 457,421 |
| Inventory impairments | 3,784 | 2,325 | — | — | 2,970 | — | 6,754 | 2,325 |
| Warranty charge | 6,868 | — | — | — | — | — | 6,868 | — |
| Adjusted home closings gross margin | \$ 164,718 | \$ 182,054 | \$ 105,717 | \$ 121,645 | \$ 182,387 | \$ 156,047 | \$ 452,822 | \$ 459,746 |
| Home closings gross margin % | 22.2 % | 26.0 % | 21.9 % | 25.3 % | 22.7 % | 20.8 % | 22.3 % | 23.8 % |
| Adjusted home closings gross margin % | 23.7 % | 26.3 % | 21.9 % | 25.3 % | 23.1 % | 20.8 % | 23.0 % | 23.9 % |

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

| (Dollars in thousands) | Six Months Ended June 30, | | | | | | | |
|--|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | East | | Central | | West | | Consolidated | |
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Home closings revenue, net | \$ 1,320,911 | \$ 1,232,859 | \$ 959,280 | \$ 952,554 | \$ 1,515,977 | \$ 1,370,969 | \$ 3,796,168 | \$ 3,556,382 |
| Cost of home closings | 1,014,685 | 906,727 | 737,726 | 708,038 | 1,165,849 | 1,091,150 | 2,918,260 | 2,705,915 |
| Home closings gross margin | \$ 306,226 | \$ 326,132 | \$ 221,554 | \$ 244,516 | \$ 350,128 | \$ 279,819 | \$ 877,908 | \$ 850,467 |
| Inventory impairments | 18,662 | 2,325 | — | — | 2,970 | — | 21,632 | 2,325 |
| Warranty charge | 7,662 | — | — | — | — | — | 7,662 | — |
| Adjusted home closings gross margin | \$ 332,550 | \$ 328,457 | \$ 221,554 | \$ 244,516 | \$ 353,098 | \$ 279,819 | \$ 907,202 | \$ 852,792 |
| Home closings gross margin % | 23.2 % | 26.5 % | 23.1 % | 25.7 % | 23.1 % | 20.4 % | 23.1 % | 23.9 % |
| Adjusted home closings gross margin % | 25.2 % | 26.6 % | 23.1 % | 25.7 % | 23.3 % | 20.4 % | 23.9 % | 24.0 % |

Consolidated home closings gross margin decreased to 22.3% from 23.8% for the three months ended June 30, 2025, compared to the same period in the prior year and to 23.1% from 23.9% for the six months ended June 30, 2025, compared to the same period in the prior year. The increases in the West region for both three and six months ended June 30, 2025 is primarily due to closing product mix which also contributed to an increase in lot premiums and margin on option revenues. The West also experienced a decrease in home discounts and incentives on a per unit basis during the three and six months ended June 30, 2025 compared to the same periods in the prior year. The changes in the East and Central regions are due to decreases in lot premium and option revenues as well as an increase in finance incentives. In addition, for the three and six months ended June 30, 2025, the East and West regions were negatively impacted by inventory impairment charges across certain communities as a result of recent pricing decreases. The East was also negatively impacted by a warranty charge related to a specific repair issue in the three and six months ended June 30, 2025.

Financial Services

The following is a summary for the periods presented of our financial services income before income taxes as well as supplemental data:

| (Dollars in thousands) | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|--|--------------------------------|--------------|---------|------------------------------|--------------|--------|
| | 2025 | 2024 | Change | 2025 | 2024 | Change |
| Mortgage services revenue | \$ 41,398 | \$ 37,867 | 9.3 % | \$ 81,756 | \$ 75,139 | 8.8 % |
| Title services and other revenue | 11,531 | 11,049 | 4.4 % | 22,366 | 20,736 | 7.9 % |
| Total financial services revenue | 52,929 | 48,916 | 8.2 % | 104,122 | 95,875 | 8.6 % |
| Financial services net income from unconsolidated entities | 4,029 | 3,001 | 34.3 % | 7,125 | 5,898 | 20.8 % |
| Total revenue | 56,958 | 51,917 | 9.7 % | 111,247 | 101,773 | 9.3 % |
| Financial services expenses | 25,876 | 28,106 | (7.9 %) | 54,197 | 53,249 | 1.8 % |
| Financial services income before income taxes | \$ 31,082 | \$ 23,811 | 30.5 % | \$ 57,050 | \$ 48,524 | 17.6 % |
| Total originations: | | | | | | |
| Number of Loans | 2,242 | 2,210 | 1.4 % | 4,363 | 4,106 | 6.3 % |
| Principal | \$ 1,023,172 | \$ 1,007,753 | 1.5 % | \$ 2,015,471 | \$ 1,884,325 | 7.0 % |

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|-------------------------------|--------------------------------|---------|------------------------------|---------|
| | 2025 | 2024 | 2025 | 2024 |
| Supplemental data: | | | | |
| Average FICO score | 751 | 751 | 751 | 751 |
| Funded origination breakdown: | | | | |
| Government (FHA, VA, USDA) | 25.3 % | 23.4 % | 24.5 % | 22.7 % |
| Other agency | 71.6 % | 74.0 % | 72.5 % | 74.6 % |
| Total agency | 96.9 % | 97.4 % | 97.0 % | 97.3 % |
| Non-agency | 3.1 % | 2.6 % | 3.0 % | 2.7 % |
| Total funded originations | 100.0 % | 100.0 % | 100.0 % | 100.0 % |

Total financial services revenue increased by 8.2% to \$52.9 million and by 8.6% to \$104.1 million for the three and six months ended June 30, 2025, respectively, compared to the same periods in the prior year. These increases are a result of increased revenue earned on the sale of loans, increased title production, and to a lesser extent, an increase in loan originations.

Sales, Commissions and Other Marketing Costs

Sales, commissions and other marketing costs, as a percentage of home closings revenue, net, remained consistent at 5.9% for the three months ended June 30, 2025 compared to the same period in the prior year and decreased to 5.9% from 6.1% for the six months ended June 30, 2025 compared to the same period in the prior year. The relatively consistent results are primarily driven by an increase in home closings revenue, net as well as leverage in controllable sales and marketing costs.

General and Administrative Expenses

General and administrative expenses as a percentage of home closings revenue, net, decreased to 3.4% from 4.3% and to 3.5% from 4.2% for the three and six months ended June 30, 2025 compared to the same periods in the prior year. The decreases were primarily due to a decrease in variable payroll-related expenses as well as an increase in home closings revenue, net.

Net Income from Unconsolidated Entities

Net income from unconsolidated entities was \$0.3 million and \$2.3 million for the three and six months ended June 30, 2025, respectively, and \$2.6 million and \$5.4 million for the three and six months ended June 30, 2024, respectively. The decreases were primarily due to losses experienced by our joint venture relating to our build-to-rent operations which has projects that have been placed into service, incurring depreciation, while still in the lease ramp-up phase. We also had a joint venture with losses related to a construction defect. These decreases were partially offset by increases in income from our joint ventures related to our financial services segment.

Interest Expense, Net

Interest expense, net was \$13.8 million and \$22.3 million for the three and six months ended June 30, 2025, respectively, and \$4.1 million and \$4.0 million for the three and six months ended June 30, 2024, respectively. The increase in interest expense, net was primarily due an increase in the amount of non-capitalizable interest expense relating to land banking arrangements as well as a decrease in interest income earned on our outstanding cash balances.

Income Tax Provision

The effective tax rate for the three and six months ended June 30, 2025 was 25.6% and 24.4%, respectively, compared to 25.2% and 24.2% for the same periods in 2024. For the three months ended June 30, 2025, the effective tax rate differed from the U.S. federal statutory income tax rate primarily due to state income taxes, non-deductible executive compensation, and excess tax benefits from share-based compensation.

Our income tax rate for the second quarter of 2025 was higher than the same period last year primarily due to a decrease in credits related to homebuilding activities.

Net Income

Net income and diluted earnings per share for the three months ended June 30, 2025 was \$193.6 million and \$1.92, respectively. Net income and diluted earnings per share for the three months ended June 30, 2024 was \$199.5 million and \$1.86, respectively. The decrease in net income from the prior year was primarily attributable to a decrease in home closings

gross margin and an increase in interest expense, net. The increase in diluted earnings per share from the prior year was primarily attributable to lower diluted weighted average shares of common stock as a result of our stock repurchases.

Liquidity and Capital Resources

Liquidity

We finance our operations through the following:

- Cash generated from operations;
- Borrowings under our \$1 Billion Revolving Credit Facility;
- Our various series of senior notes;
- Mortgage warehouse facilities;
- Project-level real estate financing (including non-recourse loans, land banking, and joint ventures); and
- Performance, payment and completion surety bonds, and letters of credit.

Cash flows for each of our communities depend on the status of the development cycle and can differ substantially from reported earnings. Early stages of development or expansion require significant cash expenditures for land acquisitions, on and off-site development, construction of homes, general landscaping and other amenities. Because these costs are a component of our inventory and are not recognized in our unaudited Condensed consolidated statement of operations until a home closes, we incur significant cash outflows prior to recognition of earnings.

The table below summarizes our total cash and liquidity as of the dates indicated (in thousands):

| (Dollars in thousands) | As of | |
|---|---------------|-------------------|
| | June 30, 2025 | December 31, 2024 |
| Total cash, excluding restricted cash | \$ 130,174 | \$ 487,151 |
| \$1 Billion Revolving Credit Facility availability ⁽¹⁾ | 1,000,000 | 1,000,000 |
| Letters of credit outstanding | (48,017) | (52,914) |
| Revolving Credit Facility availability | 951,983 | 947,086 |
| Total liquidity | \$ 1,082,157 | \$ 1,434,237 |

⁽¹⁾Subsequent to June 30, 2025, we borrowed \$100 million under our \$1 Billion Revolving Credit Facility.

We believe we have adequate capital resources from cash generated from operations and sufficient access to external financing sources from borrowings under our \$1 Billion Revolving Credit Facility to conduct our operations for the next twelve months. Beyond the next twelve months, our primary demand for funds will be for payments of our long-term debt as it becomes due, land purchases, lot development, home and amenity construction, long-term capital investments, investments in our joint ventures, payments of ongoing operating expenses, and repurchases of our common stock. We believe we will generate sufficient cash from our operations to meet the demands for such funds, however we may also access the capital markets to obtain additional liquidity through debt and equity offerings or refinance debt to secure capital for such long-term demands. As part of our operations, we may also from time to time purchase our outstanding debt or equity through open market purchases, privately negotiated transactions or otherwise. Purchases or retirements of debt and/or purchases of equity, if any, will depend on prevailing market conditions, liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Cash Flow Activities

Operating Cash Flow Activities

Our net cash used in operating activities was \$48.7 million for the six months ended June 30, 2025, compared to net cash used in operating activities of \$364.1 million for the six months ended June 30, 2024. The decrease in cash used in operating activities is primarily due to a decrease in spend on real estate inventory and land deposits and a smaller increase in our mortgage loans held for sale.

Investing Cash Flow Activities

Net cash used in investing activities was \$56.1 million for the six months ended June 30, 2025, compared to \$57.3 million for the six months ended June 30, 2024. The decrease in cash used in investing activities was due to an increase in distributions of capital from unconsolidated entities offset by an increase in investments of capital into unconsolidated entities for newly formed joint ventures.

Financing Cash Flow Activities

Net cash used in financing activities was \$248.1 million for the six months ended June 30, 2025, compared to \$137.0 million for the six months ended June 30, 2024. The increase in cash used in financing activities was primarily due to an increase in the repurchase of common stock and a decrease in the net borrowings on our mortgage warehouse facilities.

Debt Instruments

For information regarding our debt instruments, including the terms governing our senior notes and our \$1 Billion Revolving Credit Facility, see Note 7 - Debt in the Notes to the unaudited Condensed consolidated financial statements included in this quarterly report.

Off-Balance Sheet Arrangements as of June 30, 2025***Investments in Land Development and Homebuilding Joint Ventures or Unconsolidated Entities***

We participate in strategic land development and homebuilding joint ventures with related and unrelated third parties. Our participation with these entities, in some instances, enables us to acquire land to which we could not otherwise obtain access, or could not obtain access on terms that are as favorable. Our partners in these joint ventures historically have been land owners/developers, other homebuilders and financial or strategic partners. Joint ventures with land owners/developers have given us access to sites owned or controlled by our partners. Joint ventures with other homebuilders have provided us with the ability to bid jointly with our partners for large or expensive land parcels. Joint ventures with financial or strategic partners have allowed us to combine our homebuilding expertise with access to our partners' capital.

For the six months ended June 30, 2025 and 2024, total cash investments of capital into unconsolidated joint ventures were \$48.5 million and \$45.0 million, respectively.

Land Option Contracts and Land Banking Agreements

We are subject to the usual obligations associated with entering into contracts (including land option contracts and land banking arrangements) for the purchase, development, and sale of real estate in our routine business. We have a number of land purchase option contracts and land banking agreements, generally through cash deposits, for the right to purchase land or lots at a future point in time with predetermined terms. We do not have title to the property and the creditors of the property owner generally have no recourse to the Company. Our obligations with respect to such contracts are generally limited to the forfeiture of the related non-refundable cash deposits and/or letters of credit provided to obtain the options. The aggregate purchase price for land under these contracts was \$2.1 billion and \$1.9 billion at June 30, 2025 and December 31, 2024, respectively.

Seasonality

Our business is seasonal. We have historically experienced, and in the future expect to continue to experience, variability in our results on a quarterly basis. We generally have more homes under construction, close more homes and have greater revenue and operating income in the third and fourth quarters of the year. Therefore, although new home contracts are obtained throughout the year, a higher portion of our home closings occur during the third and fourth calendar quarters. Our revenue therefore may fluctuate significantly on a quarterly basis, and we must maintain sufficient liquidity to meet short-term operating requirements. Factors expected to contribute to these fluctuations include, but are not limited to:

- the timing of the introduction and start of construction of new projects;
- the timing of sales;
- the timing of closings of homes, lots and parcels;
- the condition of the real estate market and general economic conditions in the areas in which we operate;
- mix of homes closed;
- construction timetables;
- the timing of receipt of regulatory approvals for development and construction;
- the cost and availability of materials and labor; and
- weather conditions in the markets in which we build.

As a result of seasonal activity, our quarterly results of operations and financial position are not necessarily representative of the results we expect for the full year.

Inflation

We and the homebuilding industry in general may be adversely affected during periods of high inflation, primarily because of higher land, financing, labor and construction material costs. In addition, higher mortgage interest rates can significantly affect the affordability of mortgage financing to prospective homebuyers. We attempt to pass through to our buyers increases in our costs through increased sales prices. However, during periods of soft housing market conditions, we may not be able to offset our cost increases with higher selling prices.

Critical Accounting Policies and Estimates

There have been no significant changes to our critical accounting policies and estimates during the six months ended June 30, 2025 compared to those disclosed in Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report.

TAYLOR MORRISON HOME CORPORATION 10-Q

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our operations are interest rate sensitive. We monitor our exposure to changes in interest rates and incur both fixed rate and variable rate debt. At June 30, 2025, approximately 92% of our debt was fixed rate and 8% was variable rate. None of our market sensitive instruments were entered into for trading purposes. For fixed rate debt, changes in interest rates generally affect the fair value of the debt instrument, but not our earnings or cash flows. Conversely, for variable rate debt, changes in interest rates generally do not impact the fair value of the debt instrument but may affect our future earnings and cash flows, and may also impact our variable rate borrowing costs, which principally relate to any borrowings under our \$1 Billion Revolving Credit Facility and to borrowings by TMHF under its various mortgage warehouse facilities. As of June 30, 2025, we had no outstanding borrowings under our \$1 Billion Revolving Credit Facility. We had approximately \$952.0 million of additional availability for borrowings under such facility including \$152.0 million of additional availability for letters of credit as of June 30, 2025 (giving effect to \$48.0 million of letters of credit outstanding as of such date).

Our mortgage warehouse facilities agreements as well as our \$1 Billion Revolving Credit Facility use SOFR as the basis for determining interest rates. The consequences of using SOFR could include an increase in the cost of our variable rate indebtedness.

We are required to offer to purchase all of our outstanding senior unsecured notes, as described in Note 8 - Debt to the Consolidated financial statements in our Annual Report, at 101% of their aggregate principal amount plus accrued and unpaid interest upon the occurrence of specified change of control events. Other than in those circumstances, we do not have an obligation to prepay fixed rate debt prior to maturity and, as a result, we would not expect interest rate risk and changes in fair value to have a significant impact on our cash flows related to our fixed rate debt until such time as we are required to refinance, repurchase or repay such debt.

The following table sets forth principal payments by scheduled maturity and effective weighted average interest rates and estimated fair value of our debt obligations as of June 30, 2025. The interest rate for our variable rate debt represents the interest rate on our mortgage warehouse facilities. Because the mortgage warehouse facilities are secured by certain mortgage loans held for sale which are typically sold within approximately 20 - 30 days, its outstanding balance is included as a variable rate maturity in the most current period presented.

| (In millions, except percentage data) | Expected Maturity Date | | | | | | Total | Fair Value |
|---|------------------------|----------|----------|----------|---------|------------|------------|------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 | Thereafter | | |
| Fixed Rate Debt | \$ 117.4 | \$ 191.0 | \$ 592.6 | \$ 476.8 | \$ 25.3 | \$ 530.7 | \$ 1,933.8 | \$1,944.9 |
| Weighted average interest rate ⁽¹⁾ | 2.7 % | 2.7 % | 5.3 % | 5.4 % | 2.7 % | 5.4 % | 4.9 % | |
| Variable Rate Debt ⁽²⁾ | \$ 171.3 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 171.3 | \$171.3 |
| Weighted average interest rate | 5.9 % | — % | — % | — % | — % | — % | 5.9 % | |

⁽¹⁾ Represents the coupon rate of interest on the full principal amount of the debt.

⁽²⁾ Based upon the amount of variable rate debt outstanding at June 30, 2025, and holding the variable rate debt balance constant, each 1% increase in interest rates would increase the interest incurred by us by approximately \$1.7 million per year.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As of the end of the period covered by this quarterly report, we carried out an evaluation, under the supervision and with the participation of our principal executive officer, principal financial officer and principal accounting officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on this evaluation, as of June 30, 2025 our principal executive officer, principal financial officer and principal accounting officer concluded that our disclosure controls and procedures were effective in alerting them in a timely manner to material information required to be disclosed in our periodic and other reports filed with the SEC.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting during the quarter ended June 30, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

TAYLOR MORRISON HOME CORPORATION 10-Q

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information required with respect to this item can be found in Note 13 - Commitments and Contingencies under “Legal Proceedings” in the Notes to the unaudited Condensed consolidated financial statements included in this quarterly report and is incorporated by reference herein.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors set forth in Part I, Item 1A of our Annual Report. These risk factors may materially affect our business, financial condition or results of operations. You should carefully consider the risk factors set forth in our Annual Report and the other information set forth elsewhere in this quarterly report. You should be aware that these risk factors and other information may not describe every risk facing our Company.

TAYLOR MORRISON HOME CORPORATION 10-Q

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On October 23, 2024, we announced that our Board of Directors authorized a renewal of the Company's stock repurchase program which permits the repurchase of up to \$1 billion of the Company's Common Stock through December 31, 2026. As of June 30, 2025, we had approximately \$675.0 million of available capacity remaining under the repurchase program. Repurchases of the Company's Common Stock under the program will occur from time to time, if at all, in open market purchases, privately negotiated transactions or other transactions. The stock repurchase program is subject to prevailing market conditions and other considerations, including our liquidity, the terms of our debt instruments, legal requirements, planned land investment and development spending, acquisition and other investment opportunities and ongoing capital requirements. The program does not require the Company to repurchase any specific number of shares of Common Stock, and the program may be suspended, extended, modified or discontinued at any time.

The table below sets forth information regarding repurchases by the Company of its Common Stock during the quarter ended June 30, 2025.

| Period | Total number of shares purchased | Average price paid per share | Total number of shares purchased as part of publicly announced plans or programs | Approximate dollar value of shares that may yet be purchased under the plans or programs (in thousands) |
|--|----------------------------------|------------------------------|--|---|
| April 1 to April 30, 2025 ⁽¹⁾ | 173,293 | \$ 60.15 | 173,293 | \$ 765,000 |
| May 1 to May 31, 2025 ⁽²⁾ | 1,296,731 | 57.87 | 1,296,731 | 689,963 |
| June 1 to June 30, 2025 | 259,412 | 57.68 | 259,412 | 675,000 |
| Total | 1,729,436 | \$ 57.82 | 1,729,436 | \$ 675,000 |

⁽¹⁾In February 2025, the Company entered into an accelerated share repurchases ("ASR") agreement in which the Company paid a third-party financial institution \$50 million and received an initial delivery of 658,003 shares of Common Stock, representing 80% of the transaction value based on the Company's closing share price on February 24, 2025. Final settlement of the ASR agreement occurred in April 2025, at which time we received an additional 173,293 shares of Common Stock based on a final weighted average price of \$60.15.

⁽²⁾In May 2025, the Company entered into an additional ASR agreement in which the Company paid a third-party financial institution \$50 million and received an initial delivery of 697,472 shares of Common Stock, representing 80% of the transaction value based on the Company's closing share price on May 1, 2025. The total number of shares that the Company will ultimately repurchase under the ASR agreement will be determined based on the volume-weighted average price of the Common Stock during the term of the ASR agreement, less a discount and subject to adjustments pursuant to the terms and conditions of the ASR agreement.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

During the three months ended June 30, 2025 none of the Company's directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

ITEM 6. EXHIBITS

| Exhibit No. | Description |
|-------------|--|
| 3.1 | Amended and Restated Certificate of Incorporation (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 30, 2019). |
| 3.2 | Amended and Restated By-laws (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on March 7, 2023). |
| 31.1* | Certification of Sheryl D. Palmer, Chief Executive Officer, pursuant to Section 302 of the Sarbanes–Oxley Act of 2002. |
| 31.2* | Certification of Curt VanHyfte, Chief Financial Officer, pursuant to Section 302 of the Sarbanes–Oxley Act of 2002. |
| 32.1** | Certification of Sheryl D. Palmer, Chief Executive Officer, pursuant to Section 906 of the Sarbanes–Oxley Act of 2002. |
| 32.2** | Certification of Curt VanHyfte, Chief Financial Officer, pursuant to Section 906 of the Sarbanes–Oxley Act of 2002. |
| 101.INS* | Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document |
| 101.SCH* | Inline XBRL Taxonomy Extension Schema Document With Embedded Linkbase Documents |
| 104 | Cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, formatted in inline XBRL (and contained in Exhibit 101). |

* Filed herewith

** Furnished herewith

The agreements, if any, filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements themselves, and you should not rely on them other than for that purpose. In particular, any representations and warranties made by us in these agreements were made solely within the specific context of the relevant agreement and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DATE: July 23, 2025

TAYLOR MORRISON HOME CORPORATION

Registrant

/s/ Sheryl D. Palmer

Sheryl D. Palmer

Chairman of the Board of Directors and Chief Executive Officer
(Principal Executive Officer)

/s/ Curt VanHyfte

Curt VanHyfte

Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ Joseph Terracciano

Joseph Terracciano

Chief Accounting Officer
(Principal Accounting Officer)

TAYLOR MORRISON HOME CORPORATION 10-Q

**CEO CERTIFICATION
PURSUANT TO SECTION 302 OF THE
SARBANES – OXLEY ACT OF 2002**

I, Sheryl D. Palmer, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended June 30, 2025 of Taylor Morrison Home Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 23, 2025

By: /s/ Sheryl D. Palmer
Sheryl D. Palmer
Chairman of the Board of Directors and Chief Executive Officer
Taylor Morrison Home Corporation

**CFO CERTIFICATION
PURSUANT TO SECTION 302 OF THE
SARBANES – OXLEY ACT OF 2002**

I, Curt VanHyfte, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended June 30, 2025 of Taylor Morrison Home Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 23, 2025

By: /s/ Curt VanHyfte
Curt VanHyfte
Executive Vice President and Chief Financial Officer
Taylor Morrison Home Corporation

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Taylor Morrison Home Corporation (the "Company") for the period ending June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sheryl D. Palmer, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

July 23, 2025

/s/ Sheryl D. Palmer

Sheryl D. Palmer

Chairman of the Board of Directors and Chief Executive Officer

Taylor Morrison Home Corporation

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Taylor Morrison Home Corporation (the "Company") for the period ending June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Curt VanHyfte, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

July 23, 2025

/s/ Curt VanHyfte

Curt VanHyfte

Executive Vice President and Chief Financial Officer

Taylor Morrison Home Corporation