Form **8937** (December 2017) Department of the Treasury Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name: Taylor Morrison Home Corporation			2 Issuer's employer identification number (EIN): 83-2026677
3 Name of contact for additional information: Investor Relations	4 Telephone No. of contact: 480-734-2060		5 Email address of contact: investor@taylormorrison.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact: 4900 N Scottsdale Rd, Suite 2000			7 City, town, or post office, state, and ZIP code of contact: Scottsdale, AZ 85251
8 Date of action: February 6, 2020	9 Classification and description: common stock		
10 CUSIP number: 552074700	11 Serial number(s):	12 Ticker symbol: WLH	13 Account number(s):

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ See attached statement.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See attached statement.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See attached statement.

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attached statement.

18 Can any resulting loss be recognized? ▶ See attached statement.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attached statement.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ [signature] Date ▶ 02/24/20

Print your name ▶ Scott Moushon Title ▶ Director of Tax

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Taylor Morrison Home Corporation
EIN: 83-2026677
Attachment to Form 8937 – Part II

Part II, Line 14

On February 6, 2020, William Lyon Homes (“**William Lyon**”) merged with and into Tower Merger Sub, Inc. (“**Merger Sub**”), a wholly-owned subsidiary of Taylor Morrison Home Corporation (“**Taylor Morrison**”), with William Lyon continuing as the surviving entity and a wholly-owned subsidiary of Taylor Morrison (the “**Merger**”).

In the Merger, each share of William Lyon Class A and Class B common stock that was issued and outstanding immediately before the effective time of the Merger was converted into (1) 0.80 shares of Class A common stock of Taylor Morrison and (2) the right to receive $2.50 in cash (“**Cash Consideration**” and, together with the shares of Class A common stock of Taylor Morrison received in the exchange, the “**Merger Consideration**”). Stockholders of William Lyon received cash in lieu of the fractional shares of Taylor Morrison to which they would have otherwise been entitled.

Part II, Line 15

Please see the discussion of the Material U.S. Federal Income Tax Consequences of the Merger starting at page 135 of the S-4 filed by Taylor Morrison Home Corporation dated 12/6/2019. The Merger is intended to qualify as a “reorganization” under section 368(a) of the Internal Revenue Code of 1986, as amended (the “**Code**”). In general, and subject to the discussion below relating to the receipt of cash in lieu of fractional shares:

- a U.S. Holder of shares of William Lyon Homes common stock generally will not recognize any loss upon the receipt of Merger Consideration in exchange for shares of William Lyon Homes common stock but will recognize gain in an amount equal to the lesser of (i) the amount of Cash Consideration received or (ii) the excess of (A) the amount of Cash Consideration plus the fair market value of the shares of Taylor Morrison common stock received over (B) the U.S. Holder’s adjusted tax basis in the William Lyon Homes common stock surrendered;
- any such gain recognized should generally be capital gain for U.S. federal income tax purposes and would be long-term capital gain if the shares of William Lyon Homes common stock surrendered had been held for more than one year prior to the effective time of the Merger;
- a U.S. Holder of shares of William Lyon Homes common stock will have a tax basis in the shares of Taylor Morrison common stock received in the Merger (including fractional shares deemed received and redeemed as described below) equal to the adjusted tax basis of the shares of William Lyon Homes common stock surrendered in exchange therefor, increased by any gain recognized with respect to any Cash Consideration received, and decreased by the amount of any Cash Consideration received;
- a U.S. Holder of shares of William Lyon Homes common stock will have a holding period for the shares of Taylor Morrison common stock received in the Merger (including

fractional shares deemed received and redeemed as described below) that includes its holding period for its shares of William Lyon Homes common stock surrendered in exchange therefor; and

- if a U.S. Holder of shares of William Lyon Homes common stock acquired different blocks of shares of William Lyon Homes common stock at different times or at different prices, the shares of Taylor Morrison common stock received in the Merger (including fractional shares deemed received and redeemed as described below) will be allocated pro rata to each block of shares of William Lyon Homes common stock, and the initial tax basis and holding period of such shares of Taylor Morrison common stock will be determined on a block-for-block approach depending on the adjusted tax basis and holding period of each block of shares of William Lyon Homes common stock exchanged for the Merger Consideration.

If holders of William Lyon common stock acquired different blocks of William Lyon common stock at different times or at different prices, any gain will be determined separately with respect to each block of William Lyon common stock.

A U.S. Holder that receives cash in lieu of a fractional share of Taylor Morrison common stock generally will be treated as having received such fractional share pursuant to the Merger and then as having received such cash in redemption of the fractional share. Gain or loss generally will be recognized based on the difference between the amount of cash received in lieu of the fractional share of Taylor Morrison common stock and the portion of the U.S. Holder's aggregate adjusted tax basis in the shares of William Lyon Homes common stock surrendered which is allocable to the fractional share of Taylor Morrison common stock deemed received. Such gain or loss generally will be capital gain or loss for U.S. federal income tax purposes, and will be long term capital gain or loss if the shares of William Lyon Homes common stock surrendered had been held for more than one year prior to the effective time of the Merger. The deductibility of capital losses is subject to significant limitations.

Part II, Line 16

A William Lyon shareholder will have a tax basis in the shares of Taylor Morrison common stock received in the Merger (including fractional shares deemed received and redeemed) equal to the adjusted tax basis of the share of William Lyon Homes common stock surrendered in exchange therefore, increased by any gain recognized with respect to any Cash Consideration received, and decreased by the amount of any Cash Consideration received.

The fair market value for United States federal income tax purposes of each full share of Taylor Morrison common stock was determined to be $26.93 as of the effective time of the Merger. This fair market value is based an average of the highest and lowest quoted prices ($27.62 and $26.24, respectively) of the Taylor Morrison common stock on the New York Stock Exchange on February 6, 2020, the date of the Merger.

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Part II, Line 17

The Merger is intended to qualify as a “reorganization” pursuant to section 368(a) of the Code. Other relevant code sections to shareholders include: Sections 354(a), 356, 358, 1001 and 1011.

Part II, Line 18

The Merger was intended to qualify as a “reorganization” within the meaning of Section 368(a) of the Code. As described in the response to line 15, a William Lyon shareholder generally will not recognize any loss upon receipt of Merger Consideration in exchange for shares of William Lyon Homes common stock but will recognize gain in an amount equal to the lessor of (i) the amount of Cash Consideration received or (ii) the excess of (A) the amount of Cash Consideration plus the fair market value of the share of Taylor Morrison common stock received over (B) the shareholder’s adjusted tax basis in the William Lyon Homes common stock surrendered.

Any such gain recognized should generally be capital gain for U.S. federal income tax purposes and would be long-term capital gain if the shares of William Lyon Homes common stock surrendered had been held for more than one year prior to the effective time of the Merger.

Part II, Line 19

The reportable tax year is the tax year of the shareholder that includes February 6, 2020.

The information contained in Form 8937 and this attachment does not constitute tax advice. Holders are urged to consult their own independent tax advisor as to the specific tax consequences of the Merger and the payment of the Merger Consideration.