

TAYLOR MORRISON HOME CORPORATION
COMPENSATION COMMITTEE CHARTER

I. Purpose

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Taylor Morrison Home Corporation, a Delaware corporation (the “Company”), shall have responsibility for the compensation of the Company’s executive officers, including the Company’s Chief Executive Officer (the “CEO”), and for incentive compensation, equity-based and other compensation plans as further provided in this Charter.

II. Organization

The Committee shall consist of three or more directors, each of whom shall satisfy the applicable independence and other compensation committee membership requirements of the Company’s corporate governance guidelines, the New York Stock Exchange and any other applicable regulatory requirements, subject to the phase-in periods permitted under the rules of the New York Stock Exchange under which the Committee is required to have only one independent member at the time of listing, a majority of independent members within 90 days of listing and all independent members within one year of listing.

The members of the Committee shall not be required to meet the independence requirements of the New York Stock Exchange during any period in which the Company is a “controlled company” within the meaning of the New York Stock Exchange’s listing standards, unless the Board otherwise determines not to rely on the New York Stock Exchange’s “controlled company” exemption. If the Company ceases to be a “controlled company” or the Board determines not to rely on the New York Stock Exchange’s “controlled company” exemption, the members of the Committee shall meet the independence requirements of the New York Stock Exchange within the periods required by the New York Stock Exchange’s phase-in rules applicable to companies who cease to be “controlled companies.”

After the Company ceases to be a “controlled company” or the Board determines not to rely on the New York Stock Exchange’s “controlled company” exemption, a director who ceases to be independent for reasons outside his or her reasonable control, may, with prompt notice to the New York Stock Exchange and only so long as a majority of the members of the Committee continue to be independent, remain a member of the Committee until the earlier of the next annual shareholders’ meeting of the Company or one year from the occurrence of the event that caused the director to no longer be independent.

At least one member of the Committee shall have experience in matters relating to executive compensation either as a professional or as a business executive. At least two members shall qualify as (a) outside directors for purposes of Section 162(m) of the U.S.

Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder, including Treasury Regulations Section 1.162-27, and (b) non-employee directors for purposes of Section 16 of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules and regulations promulgated thereunder.

If at any time the Committee includes a member who is not a “non-employee director” (“Non-Employee Director”) within the meaning of Rule 16b-3 under the Exchange Act then either a subcommittee comprised entirely of individuals who are Non-Employee Directors or the Board shall approve any grants of equity-based compensation made to any individual who is subject to liability under Section 16 of the Exchange Act.

The grant of any compensatory awards that the Committee determines should be structured as qualified performance-based compensation within the meaning of Section 162(m) and the rules and regulations promulgated thereunder, including Treasury Regulations Section 1.162-27, at a time when the Committee includes a member who is not an “outside director” within the meaning of Section 162(m) (an “Outside Director”), to any individual the deductibility of whose compensation the Committee determines is or could be affected by Section 162(m), shall be approved by a subcommittee of the Committee comprised entirely of two or more individuals who are Outside Directors.

Members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Governance Committee and may be removed by the Board at any time. The Committee’s chairperson shall be designated by the Board on the recommendation of the Nominating and Governance Committee or, if not so designated, the members of the Committee shall elect a chairperson by a vote of the majority of the full Committee.

The Committee may form and delegate authority to subcommittees when appropriate, provided that the subcommittees are composed entirely of directors who satisfy the applicable independence requirements of the Company’s corporate governance guidelines and the New York Stock Exchange. The Committee may also delegate its duties under incentive compensation plans, and policies relating thereto, to officers of the Company if and to the extent expressly permitted by such plan and applicable law.

III. Meetings

The Committee shall meet as often as necessary to carry out its responsibilities. Meetings may be held telephonically or by other electronic means to the extent permitted by the Company’s organizational documents and applicable law. Committee actions may be taken by unanimous written consent.

IV. Committee Secretary

The Committee may in its discretion appoint a Secretary (the “Secretary”) to assist the Committee in the performance of its duties. The Secretary of the Committee may be the Corporate Secretary of the Company or any member of the Committee. The

Secretary will attend all meetings and maintain minutes, advise members of all meetings called, arrange the preparation and distribution of the agenda for each meeting, and carry out other functions as may be assigned from time to time by the Committee.

V. Authority and Responsibilities

To fulfill its responsibilities, the Committee shall:

1. Review and approve the Company's compensation strategy, philosophy, policies and programs to ensure that they are appropriate to attract, retain and motivate senior management, which when used herein includes the executive officers and the CEO, and, in the Committee's judgment, that they support the Company's overall business strategy.
2. Review and discuss with management, at least annually, management's assessment of the material risks associated with the Company's employee compensation structure, policies and programs and whether such structure, policies and programs encourage excessive risk-taking in order to evaluate compensation policies and practices that could mitigate any such risk.
3. On an annual basis, review and approve corporate goals and objectives relevant to the compensation of the Company's senior management, evaluate senior management's performance in light of those goals and objectives and approve senior management compensation levels based on this evaluation. In evaluating, determining and approving the incentive component of senior management compensation, the Committee may consider, among such other factors as it may deem relevant, the Company's performance, shareholder returns, the value of similar incentive awards to executive officers and senior management at comparable companies, the value of similar awards given to other members of senior management of the Company, the results of the most recent shareholder advisory vote on executive compensation required by Section 14A of the Exchange Act (the "Say-on-Pay Vote") and the awards given to the individual in past years.
4. Review and make recommendations to the Board with respect to the Company's incentive compensation, equity-based and pension plans. With respect to each such plan, the Committee shall have responsibility for:
 - (a) administering the plan, subject to any right to delegate its authority that it may have under such plan;
 - (b) setting performance targets under all annual bonus and long-term incentive compensation plans as appropriate and committing to writing any and all performance targets for senior management;
 - (c) if called for by the plan, certifying that any and all performance targets used for any performance-based equity compensation plans have been met

before payment of any bonus or compensation or exercise of any award granted under any such plans;

- (d) approving all amendments to, and terminations of, all compensation plans and any awards under such plans;
- (e) granting any awards under any performance-based annual bonus, long-term incentive compensation and equity compensation plans to executive officers or current employees with the potential to become the CEO or an executive officer, including stock options and other equity rights (e.g., restricted stock and stock purchase rights)
- (f) approving which members of senior management are entitled to awards under the Company's stock option plans; and
- (g) approving repurchase of securities from terminated employees.

In reviewing these plans, the Committee may consider the plan's administrative costs, current plan features relative to any proposed new features, the results of the most recent Say-on-Pay Vote and the performance of the plan's internal and external administrators if any duties have been delegated.

5. Review and approve any employment agreement or compensatory transaction with an executive officer of the Company involving compensation in excess of \$120,000 per year.
6. Establish and periodically review policies concerning perquisite benefits.
7. Determine and approve the Company's policy with respect to change-of-control or "parachute" payments. In determining and approving the Company's policy with respect to change of control or "parachute" payments, the Committee may consider, among such other factors as it may deem relevant, the results of the most recent Say-on-Pay Vote on "parachute" payments, if any.
8. Review and make recommendations to the Board with respect to executive officer and director indemnification and insurance matters.
9. Review and approve the compensation of directors for their service to the Board.
10. Approve compensation awards, including individual awards, as may be required to comply with applicable tax and state corporate laws.
11. Review the Company's compensation disclosures in its annual proxy statement and its Annual Report on Form 10-K filed with the SEC and discuss the Company's Compensation Discussion and Analysis ("CD&A") with management and based on such review and discussion, determine whether to recommend to the Board that such compensation disclosures and CD&A be disclosed in the

Company's Annual Report on Form 10-K or annual proxy statement filed with the SEC, as applicable.

12. Review and recommend to the Board for approval the frequency with which the Company will conduct Say-on-Pay Votes, taking into account the results of the most recent shareholder advisory vote on frequency of Say-on-Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say-on-Pay Vote and the frequency of the Say-on-Pay Vote to be included in the Company's proxy statement filed with the SEC.
13. Prepare any report required by applicable rules and regulations or listing standards, including the report required by the SEC to be included in the Company's annual proxy statement, or, if the Company does not file a proxy statement, in the Company's Annual Report filed on Form 10-K with the SEC.
14. Review and assess the adequacy of this Charter periodically and recommend to the Board any changes deemed appropriate by the Committee.
15. Review its own performance annually.
16. Report regularly to the Board.
17. Perform any other activities consistent with this Charter, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate from time to time.

VI. Resources

The Committee shall have the authority to retain or terminate, at its sole discretion, compensation consultants, independent legal counsel or other advisors (collectively, "Advisors") to assist the Committee in fulfilling its responsibilities and shall be directly responsible for overseeing the work of such Advisors. Before retaining an Advisor (other than in-house legal counsel and any Advisor whose role is limited to consulting on broad-based, non-discriminatory plans or providing information that is not customized in particular for the Company (as described in Item 407(e)(3)(iii) of Regulation S-K)), the Committee shall consider the independence of such Advisor, including any independence factors that it is required to consider by law or New York Stock Exchange rules.

The Committee may request that any officer, employee or advisor of the Company or the Company's independent auditor attend a meeting of the Committee or otherwise respond to Committee requests.

The Committee shall have the sole authority to determine the terms of engagement and the extent of funding necessary (and to be provided by the Company) for payment of compensation to any Advisors or other professionals retained to advise the

Committee and ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.