

AV Homes, Inc.
Form DEFM14A
August 27, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 14A
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF
THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Under Rule 14a-12

AV HOMES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

- (5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

- (1) Amount previously paid:

\$36,351.50

- (2) Form, Schedule or Registration Statement No.:

Form S-4 (File No. 333-226164)

- (3) Filing Party:

Taylor Morrison Home Corporation

(4) Date Filed:

July 13, 2018

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MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT

Dear Fellow Stockholders:

As previously announced, on June 7, 2018, AV Homes, Inc. (AV Homes) entered into an Agreement and Plan of Merger (as it may be amended from time to time, the Merger Agreement) with Taylor Morrison Home Corporation (Taylor Morrison), Taylor Morrison Communities, Inc. (Intermediate Parent), and Thor Merger Sub, Inc. (Merger Sub), pursuant to which Merger Sub will be merged with and into AV Homes (the Merger), with AV Homes continuing as the surviving entity in the Merger as an indirect subsidiary of Taylor Morrison.

If the Merger Agreement is adopted by AV Homes stockholders and the Merger is consummated, AV Homes stockholders will be entitled to receive, at their election, consideration per share of common stock of AV Homes (the AV Homes Common Stock) consisting of (i) \$21.50 in cash, without interest (subject to the proration procedures described in this proxy statement/prospectus, the Cash Consideration), (ii) 0.9793 validly issued, fully paid and nonassessable shares of Taylor Morrison Class A common stock (the shares, the Taylor Morrison Common Stock, and the consideration, subject to the proration procedures described in this proxy statement/prospectus, the Stock Consideration, respectively) or (iii) a combination of \$12.64 in cash, without interest, and 0.4034 validly issued, fully paid and nonassessable shares of Taylor Morrison Common Stock (the Mixed Consideration, and, together with the Cash Consideration and the Stock Consideration, the Merger Consideration). If no election is made as to a share of AV Homes Common Stock, the holder of that share will receive Mixed Consideration. The Cash Consideration and Stock Consideration are subject to adjustment pursuant to the terms of the Merger Agreement such that the aggregate Merger Consideration will consist of approximately 58.8% cash and approximately 41.2% Taylor Morrison common stock, as further described in this proxy statement/prospectus under the heading *The Merger Agreement Merger Consideration*.

Based on Taylor Morrison's closing stock price on August 24, 2018, the most recent practicable date for which such information was available, the Stock Consideration represented approximately \$19.25 in value per share of AV Homes Common Stock (before giving effect to any proration adjustment), and the Mixed Consideration represented approximately \$20.57 in value per share of AV Homes Common Stock, which represent a premium of approximately 16.7% and 24.7% (before giving effect to any proration adjustment), respectively, over AV Homes' closing stock price on June 6, 2018, the last trading day before the public announcement of the Merger Agreement. The Cash Consideration represents a premium of approximately 30% over AV Homes' closing stock price on June 6, 2018 (before giving effect to any proration adjustment). The value of the Stock Consideration and Mixed Consideration will fluctuate based on the market price of Taylor Morrison Common Stock until the completion of the Merger. Shares of Taylor Morrison Common Stock are traded on the New York Stock Exchange (the NYSE), under the ticker symbol TMHC and shares of AV Homes Common Stock are traded on the Nasdaq Stock Market (the Nasdaq) under the ticker symbol AVHI. We urge you to obtain current market quotations for the shares of Taylor Morrison Common Stock and AV Homes Common Stock.

Based on the number of shares of Taylor Morrison Common Stock and AV Homes Common Stock expected to be outstanding immediately prior to the closing of the Merger, Taylor Morrison expects to issue approximately 9.1 million shares of Taylor Morrison Common Stock (not including shares of Taylor Morrison Common Stock issuable

in connection with the settlement of Taylor Morrison restricted stock units issued to holders of AV Homes restricted stock units in accordance with the terms set forth in the Merger Agreement or in connection with the conversion of AV Homes Convertible Notes). The issuance is expected to result in former AV Homes stockholders owning approximately 8% and current Taylor Morrison stockholders owning approximately 92% of outstanding Taylor Morrison Common Stock immediately after the completion of the Merger. Taylor Morrison may issue additional shares as the result of conversions of AV Homes Convertible Notes after the completion of the Merger. *See* the section entitled *Treatment of AV Homes Convertible Notes* in the accompanying proxy statement/prospectus.

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The Merger cannot be consummated unless AV Homes stockholders holding a majority of the outstanding shares of AV Homes Common Stock, as of the close of business on August 24, 2018 (the Record Date), vote in favor of the adoption of the Merger Agreement at the special meeting of AV Homes stockholders (the AV Homes special meeting) to be held on September 26, 2018, at 8:00 a.m., local time, at the offices of AV Homes, which are located at 6730 N. Scottsdale Rd., Suite 150, Scottsdale, AZ 85253. **Your vote is very important regardless of the number of shares of AV Homes Common Stock you own. Whether or not you expect to attend the AV Homes special meeting in person, please vote or otherwise submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the AV Homes special meeting.** TPG Aviator, L.P., which owns approximately 41% of the outstanding shares of AV Homes, has agreed to vote all of its shares in favor of the adoption of the Merger Agreement.

The board of directors of AV Homes (the AV Homes Board) unanimously recommends that AV Homes stockholders vote FOR the proposal to adopt the Merger Agreement and FOR each of the other proposals to be voted on at the AV Homes special meeting, as described in more detail in the accompanying proxy statement/prospectus. In considering the recommendations of the AV Homes Board, you should be aware that certain directors and executive officers of AV Homes will have interests in the Merger that may be different from, or in addition to, the interests of AV Homes stockholders generally. See the section entitled *Proposal I: Adoption of the Merger Agreement Interests of Certain AV Homes Directors and Officers in the Merger* beginning on page 88 of the accompanying proxy statement/prospectus.

The accompanying proxy statement/prospectus provides important information regarding the AV Homes special meeting and a detailed description of the Merger Agreement, the Merger and the other transactions contemplated thereby, and the matters to be presented at the AV Homes special meeting. **We urge you to read the accompanying proxy statement/prospectus (and any documents incorporated by reference into the accompanying proxy statement/prospectus) carefully and in its entirety. Please pay particular attention to Risk Factors beginning on page 32 of the accompanying proxy statement/prospectus.**

We look forward to the successful completion of the Merger.

Sincerely,

Roger A. Cregg

President and Chief Executive Officer

AV Homes, Inc.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved the Merger or other transaction described in the accompanying proxy statement/prospectus or of the securities to be issued in connection with the Merger described in the accompanying proxy statement/prospectus or determined that the accompanying proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated August 27, 2018 and is first being mailed to AV Homes stockholders on or about August 27, 2018.

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AV Homes, Inc.

6730 N. Scottsdale Road, Suite 150

Scottsdale, AZ 85253

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To be Held on September 26, 2018

Dear Fellow Stockholders:

We are pleased to invite you to attend the special meeting of stockholders of AV Homes, Inc. ("AV Homes") to be held on September 26, 2018 at 8:00 a.m., local time, at the offices of AV Homes, which are located at 6730 N. Scottsdale Rd., Suite 150, Scottsdale, AZ 85253, for the following purposes:

to consider and vote on the adoption of the Agreement and Plan of Merger, dated June 7, 2018 (as it may be amended from time to time, the "Merger Agreement") (a copy of which is attached as Annex A to the accompanying proxy statement/prospectus), by and among Taylor Morrison Home Corporation ("Taylor Morrison"), Taylor Morrison Communities, Inc. ("Intermediate Parent"), Thor Merger Sub, Inc. ("Merger Sub"), and AV Homes. The Merger Agreement provides that Merger Sub will be merged with and into AV Homes (the "Merger"), with AV Homes continuing as the surviving entity in the Merger as an indirect subsidiary of Taylor Morrison;

to consider and vote on the proposal to approve, on an advisory (non-binding) basis, certain compensation that may become payable to the named executive officers of AV Homes in connection with the Merger; and

to consider and vote on a proposal to adjourn the AV Homes special meeting, or any adjournments thereof, to another time or place, if necessary or appropriate, as determined by AV Homes, to solicit additional proxies if there are insufficient votes at the time of the AV Homes special meeting or any adjournments thereof to adopt the Merger Agreement.

AV Homes will transact no other business at the AV Homes special meeting except such business as may properly be brought before the AV Homes special meeting or any adjournment or postponement thereof. Please refer to the accompanying proxy statement/prospectus for further information with respect to the business to be transacted at the AV Homes special meeting.

The board of directors of AV Homes (the "AV Homes Board") has fixed the close of business on _____, 2018 as the record date (the "Record Date") for the AV Homes special meeting. Only holders of record of AV Homes Common Stock as of the Record Date are entitled to notice of, and to vote at, the AV Homes special meeting or any

adjournment or postponement thereof. Completion of the Merger is conditioned on, among other things, adoption of the Merger Agreement by the AV Homes stockholders.

Adoption of the Merger Agreement requires the affirmative vote of holders of a majority of the outstanding shares of AV Homes Common Stock. The proposal to approve the Merger-related executive compensation requires the affirmative vote of holders of a majority of the votes that could be cast by the holders of all classes of stock entitled to vote on such question that are present in person or by proxy at the meeting; however, such vote is advisory (non-binding) only. Approval of the adjournment proposal requires the affirmative vote of holders of a majority of the votes that could be cast by the holders of all classes of stock entitled to vote on such question that are present in person or by proxy at the meeting.

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The AV Homes Board recommends that AV Homes stockholders vote FOR the adoption of the Merger Agreement, FOR the named executive officer Merger-related compensation proposal and FOR the adjournment proposal.

Your vote is very important. Whether or not you plan to attend the AV Homes special meeting, please act promptly to submit a proxy to vote your shares with respect to the proposals described above. You may submit a proxy to vote your shares by completing, signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided. You also may submit a proxy to vote your shares by telephone or through the Internet by following the instructions set forth on the proxy card. If you attend the AV Homes special meeting, you may vote your shares in person, even if you have previously submitted a proxy in writing, by telephone or through the Internet. If your shares are held in the name of a nominee or intermediary, please follow the instructions on the voting instruction card furnished by such record holder.

We urge you to read the accompanying proxy statement/prospectus, including all documents incorporated by reference into the accompanying proxy statement/prospectus, and its annexes carefully and in their entirety. In particular, *see Risk Factors* beginning on page 32 of the accompanying proxy statement/prospectus. If you have any questions concerning the Merger Agreement, the Merger or the other transactions contemplated thereby, the AV Homes special meeting or the accompanying proxy statement/prospectus, would like additional copies of the accompanying proxy statement/prospectus, or need help submitting a proxy to have your shares of AV Homes Common Stock voted, please contact AV Homes proxy solicitor:

1290 Avenue of the Americas, 9th Floor

New York, NY 10104

Banks, Brokers and Shareholders

Call Toll-Free: 866-647-8869

By Order of the Board of Directors,

S. Gary Shullaw

Executive Vice President, General Counsel and Corporate Secretary

August 27, 2018

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ADDITIONAL INFORMATION

The accompanying document is the proxy statement of AV Homes for its special meeting of stockholders and the prospectus of Taylor Morrison relating to the offer and sale of Taylor Morrison Common Stock to be issued to AV Homes stockholders pursuant to the Merger Agreement and any Taylor Morrison Common Stock to be issued upon conversion of AV Homes Convertible Notes after the effective time of the Merger. The accompanying proxy statement/prospectus incorporates important business and financial information about Taylor Morrison and AV Homes from documents that are not included in or delivered with the accompanying proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain documents incorporated by reference into the accompanying proxy statement/prospectus by requesting them in writing or by telephone from Taylor Morrison or AV Homes at the following addresses and telephone numbers:

Taylor Morrison Home Corporation
Attn: Darrell C. Sherman, Esq.
Executive Vice President and Chief Legal Officer
4900 N. Scottsdale Road, Suite 2000
Scottsdale, AZ 85251
Telephone: (480) 840-8100

AV Homes, Inc.
Attn: S. Gary Shullaw
Executive Vice President and General Counsel
6730 N. Scottsdale Road, Suite 150
Scottsdale, AZ 85253
(480) 214-7400

In addition, if you have questions about the Merger, the other transactions contemplated by the Merger Agreement, or the accompanying proxy statement/prospectus, would like additional copies of the accompanying proxy statement/prospectus, or need to obtain proxy cards or other information related to the proxy solicitation, please contact AV Homes proxy solicitor:

Georgeson LLC

1290 Avenue of the Americas, 9th Floor

New York, NY 10104

Banks, Brokers and Shareholders

Call Toll-Free: 866-647-8869

You will not be charged for any of these documents that you request. **If you would like to request any documents, please do so by September 19, 2018 to receive them before the AV Homes special meeting.**

See also Where You Can Find More Information.

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WHERE YOU CAN FIND MORE INFORMATION

Taylor Morrison has filed with the SEC a registration statement on Form S-4 to register with the SEC the shares of Taylor Morrison Common Stock to be issued to AV Homes stockholders pursuant to the Merger Agreement and any Taylor Morrison Common Stock to be issued upon conversion of AV Homes Convertible Notes after the effective time of the Merger. This proxy statement/prospectus is a part of that registration statement and constitutes a prospectus of Taylor Morrison in addition to being a proxy statement of AV Homes for its special meeting. The registration statement, including the attached annexes and exhibits, contains additional relevant information about Taylor Morrison and the Taylor Morrison Common Stock. The rules and regulations of the SEC allow Taylor Morrison and AV Homes to omit certain information included in the registration statement from this proxy statement/prospectus.

Taylor Morrison and AV Homes each file annual, quarterly and current reports, proxy statements and other information with the SEC under the Exchange Act. You may read and copy any of this information at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The SEC also maintains a website that contains reports, proxy and information statements, and other information regarding issuers, including Taylor Morrison and AV Homes, who file electronically with the SEC. The address of that website is www.sec.gov. Investors may also consult Taylor Morrison's and AV Homes' websites for more information about Taylor Morrison or AV Homes, respectively. Taylor Morrison's website is www.taylormorrison.com. AV Homes' website is www.avhomesinc.com. Information included on these websites is not incorporated by reference into this proxy statement/prospectus.

The SEC allows Taylor Morrison and AV Homes to incorporate by reference into this proxy statement/prospectus information that Taylor Morrison or AV Homes file with the SEC, which means that important information can be disclosed to you by referring you to those documents and those documents will be considered part of this proxy statement/prospectus. The information incorporated by reference is an important part of this proxy statement/prospectus. Certain information that is subsequently filed with the SEC will automatically update and supersede information in this proxy statement/prospectus and in earlier filings with the SEC. This proxy statement/prospectus also contains summaries of certain provisions contained in some of the Taylor Morrison or AV Homes documents described in this proxy statement/prospectus, but reference is made to the actual documents for complete information. All of these summaries are qualified in their entirety by reference to the actual documents.

The information and documents listed below, which Taylor Morrison and AV Homes have filed with the SEC, are incorporated by reference into this proxy statement/prospectus:

Taylor Morrison's SEC Filings

Taylor Morrison's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, filed with the SEC on February 21, 2018, including portions of Taylor Morrison's Definitive Proxy Statement on Schedule 14A filed with the SEC on April 17, 2018 to the extent specifically incorporated by reference therein;

Taylor Morrison's Quarterly Reports on Form 10-Q for the quarter ended March 31, 2018, filed with the SEC on May 2, 2018, and June 30, 2018, filed with the SEC on August 1, 2018;

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Taylor Morrison's Current Reports on Form 8-K, filed with the SEC on January 8, 2018, January 17, 2018, January 30, 2018, May 31, 2018, June 7, 2018 (two reports), June 15, 2018, July 2, 2018 and July 19, 2018; and

The description of Taylor Morrison Common Stock contained in Taylor Morrison's Registration Statement on Form 8-A filed April 10, 2013, and any amendment or report filed with the or report filed with the SEC for the purpose of updating that description.

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AV Homes SEC Filings

AV Homes Annual Report on Form 10-K for the fiscal year ended December 31, 2017, filed with the SEC on February 23, 2018, including portions of AV Homes Definitive Proxy Statement on Schedule 14A, filed with the SEC on April 18, 2018 to the extent specifically incorporated by reference therein;

AV Homes Quarterly Reports on Form 10-Q for the quarter ended March 31, 2018, filed with the SEC on April 27, 2018, and June 30, 2018, filed with the SEC on August 1, 2018; and

AV Homes Current Reports on Form 8-K, filed with the SEC on June 5, 2018 and June 7, 2018 (two reports).

Beginning January 1, 2018, AV Homes adopted new accounting guidance that changed the presentation of certain items within its consolidated statements of cash flows, including the presentation of restricted cash. The change results in a decrease/(increase) to cash flows from operations of \$0.1 million, \$25.7 million, and (\$10.5 million) in 2017, 2016, and 2015, respectively, with a corresponding change to total cash, cash equivalents, and restricted cash. The \$25.7 million change in 2016 related to the release of a restricted deposit on a credit facility. However, the adoption of this new accounting guidance did not have a material impact on their consolidated financial statements and no recasting of the 2017 Form 10-K was necessary.

In addition, all documents filed by Taylor Morrison and AV Homes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this proxy statement/prospectus and before the date of the AV Homes special meeting shall be deemed to be incorporated by reference into this proxy statement/prospectus and made a part of this proxy statement/prospectus from the respective dates of filing.

Notwithstanding anything to the contrary in this proxy statement/prospectus, Taylor Morrison and AV Homes are not incorporating any information furnished in any Current Report on Form 8-K unless specifically stated otherwise.

Taylor Morrison has supplied all information contained in or incorporated by reference into this proxy statement/prospectus relating to Taylor Morrison, as well as all pro forma financial information, and AV Homes has supplied all such information relating to AV Homes.

Documents incorporated by reference are available from Taylor Morrison or AV Homes, as the case may be, without charge, excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference into this proxy statement/prospectus. Stockholders may obtain these documents incorporated by reference by requesting them in writing or by telephone from the appropriate party at the following addresses and telephone numbers:

Taylor Morrison Home Corporation

Attn: Darrell C. Sherman, Esq.

Executive Vice President and Chief Legal Officer

4900 N. Scottsdale Road, Suite 2000

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Scottsdale, AZ 85251

Telephone: (480) 840-8100

AV Homes, Inc.

Attn: S. Gary Shullaw

Executive Vice President and General Counsel

6730 N. Scottsdale Road, Suite 150

Scottsdale, AZ 85253

Telephone: (480) 214-7400

You should not rely on information that purports to be made by or on behalf of Taylor Morrison or AV Homes other than the information contained in or incorporated by reference into this proxy statement/prospectus. Neither Taylor Morrison nor AV Homes has authorized anyone to provide you with information on behalf of Taylor Morrison or AV Homes, respectively, that is different from what is contained in this proxy statement/prospectus.

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If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this proxy statement/prospectus or solicitations of proxies are unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this proxy statement/prospectus does not extend to you.

This proxy statement/prospectus is dated August 27, 2018. You should not assume that the information in it is accurate as of any date other than that date, and neither its mailing to stockholders nor the issuance of Taylor Morrison Common Stock in the Merger will create any implication to the contrary.

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ABOUT THIS PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission by Taylor Morrison, constitutes a prospectus of Taylor Morrison under Section 5 of the Securities Act of 1933, as amended, with respect to the shares of Taylor Morrison Common Stock to be issued to AV Homes stockholders pursuant to the Merger Agreement and any Taylor Morrison Common Stock to be issued upon conversion of AV Homes Convertible Notes after the effective time of the Merger. This proxy statement/prospectus also constitutes a proxy statement for AV Homes under Section 14(a) of the Securities Exchange Act of 1934, as amended. In addition, it constitutes a notice of meeting with respect to the special meeting of AV Homes stockholders.

No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. This proxy statement/prospectus is dated August 27, 2018. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than that date. You should not assume that the information incorporated by reference into this proxy statement/prospectus is accurate as of any date other than the date of such information. Neither the mailing of this proxy statement/prospectus to AV Homes stockholders nor the issuance by Taylor Morrison of shares of Taylor Morrison Common Stock pursuant to the Merger Agreement will create any implication to the contrary.

This proxy statement/prospectus shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction where, or to or from any person to whom, it is unlawful to make any such offer or solicitation. Information contained in this proxy statement/prospectus regarding Taylor Morrison has been provided by Taylor Morrison and information contained in this proxy statement/prospectus regarding AV Homes has been provided by AV Homes.

Unless otherwise indicated or as the context otherwise requires, a reference in this proxy statement/prospectus to:

adjournment proposal means the proposal to approve the adjournment of the AV Homes special meeting, or any adjournments thereof, to another time or place, if necessary or appropriate, as determined by AV Homes, to solicit additional proxies if there are insufficient votes at the time of the AV Homes special meeting or any adjournments thereof to adopt the Merger Agreement;

AV Homes 6.625% Notes means the outstanding 6.625% Senior Notes due 2022 of AV Homes;

AV Homes means AV Homes, Inc., a Delaware corporation;

AV Homes Board means the board of directors of AV Homes;

AV Homes Bylaws means the Amended and Restated Bylaws of AV Homes, effective as of March 31, 2014;

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AV Homes Charter means the Certificate of Incorporation of AV Homes, effective as of May 28, 1998, as amended by the Certificate of Amendment of Restated Certificate of Incorporation, dated May 25, 2000;

AV Homes Common Stock means the common stock, par value \$1.00 per share, of AV Homes;

AV Homes Convertible Notes means the outstanding 6.00% Senior Convertible Notes due 2020 of AV Homes;

AV Homes Projections refer to the information provided under *Proposal I: Adoption of the Merger Agreement Unaudited Projected Financial Information* ;

Citi means Citigroup Global Markets, Inc., Taylor Morrison's financial advisor in connection with the Merger.

Code means the Internal Revenue Code of 1986, as amended;

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combined company means Taylor Morrison, following the Merger;

DGCL means the General Corporation Law of the State of Delaware;

dissenters' shares means shares of AV Homes Common Stock that are issued and outstanding immediately prior to the effective time of the Merger that are held by any AV Homes stockholder who is entitled to demand and who properly demands appraisal of such stockholder's shares pursuant to, and in compliance in all respects with, the provisions of Section 262 of the DGCL;

EBITDA means earnings before interest, income taxes, depreciation and amortization;

Exchange Act means the Securities Exchange Act of 1934, as amended;

Exchange Agent means Computershare Trust Company, N.A.;

fractional share means a fractional share of Taylor Morrison Common Stock;

GAAP means U.S. Generally Accepted Accounting Principles;

Intermediate Parent means Taylor Morrison Communities, Inc., a Delaware corporation and an indirect subsidiary of Taylor Morrison;

IRS means the Internal Revenue Service;

J.P. Morgan means J.P. Morgan Securities LLC, one of AV Homes' financial advisors in connection with the Merger;

Merger means, as contemplated by the Merger Agreement, the merger of Merger Sub with and into AV Homes, with AV Homes as the surviving corporation in such merger; the result of which is the legacy business and subsidiaries of AV Homes becoming indirect subsidiaries of Taylor Morrison;

Merger Agreement means Agreement and Plan of Merger, dated June 7, 2018, among Taylor Morrison, Intermediate Parent, Merger Sub and AV Homes, as it may be amended from time to time, a copy of which is attached as Annex A to this proxy statement/prospectus and incorporated by reference herein;

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Merger Sub means Thor Merger Sub, Inc., a Delaware corporation and an indirect subsidiary of Taylor Morrison;

Mixed Consideration Stock Exchange Ratio means 0.4034;

Moelis means Moelis & Company LLC, one of AV Homes financial advisors in connection with the Merger;

Nasdaq means the Nasdaq Stock Market;

NYSE means the New York Stock Exchange;

Outside Date means December 7, 2018;

Paul, Weiss means Paul, Weiss, Rifkind, Wharton & Garrison LLP, counsel to Taylor Morrison;

Record Date means the close of business on August 24, 2018, the date and time as of which holders of AV Homes Common Stock must be holders of record in order to receive notice of, and to vote at, the AV Homes special meeting.

SEC means the U.S. Securities and Exchange Commission;

Securities Act means the Securities Act of 1933, as amended;

Taylor Morrison means Taylor Morrison Home Corporation, a Delaware corporation;

Taylor Morrison Board means the board of directors of Taylor Morrison;

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Taylor Morrison Bylaws means the Amended and Restated Bylaws of Taylor Morrison, effective as of April 15, 2013;

Taylor Morrison Charter means the Amended and Restated Certificate of Incorporation of Taylor Morrison, effective May 30, 2018;

Taylor Morrison Class B Common Stock means the Class B Common Stock, par value \$0.00001 per share, of Taylor Morrison;

Taylor Morrison Common Stock means the Class A Common Stock, par value \$0.00001 per share, of Taylor Morrison;

TPG means TPG Aviator, L.P.;

Voting Agreement means the Voting Agreement, dated June 7, 2018, by and between Taylor Morrison Home Corporation and TPG, as it may be amended from time to time, a copy of which is attached as Annex B to the proxy statement/prospectus that forms a part of this Registration Statement and is incorporated by reference herein; and

Wachtell Lipton means Wachtell, Lipton, Rosen & Katz, counsel to AV Homes.

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