2014 Southwest IDEAS Conference

November 20, 2014








Meritage Homes Corporation

Setting the standard for energy-efficient homes™

Forward-Looking Statements

This presentation and the accompanying comments contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include management's expectations for continued recovery and growth in the U.S. housing market, Meritage's growth opportunities within existing markets and potential new markets, the impacts of the Legendary acquisition on the Company's future margins, plans for strong revenue and earnings growth in 2015 and beyond, and projected fourth quarter 2014 and 2015 home closing revenue, gross margins, community count growth, leverage and diluted earnings per share.

Such statements are based upon the current beliefs and expectations of Company management, and current market conditions, which are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. The Company makes no commitment, and disclaims any duty, to update or revise any forward-looking statements to reflect future events or changes in these expectations. Meritage's business is subject to a number of risks and uncertainties. As a result of those risks and uncertainties, the Company's stock and note prices may fluctuate dramatically. These risks and uncertainties include, but are not limited to, the following: the availability of finished lots and undeveloped land; interest rates and changes in the availability and pricing of residential mortgages; fluctuations in the availability and cost of labor; changes in tax laws that adversely impact our homebuyers; the ability of our potential buyers to sell their existing homes; cancellation rates and home prices in our markets; weakness in the homebuilding market resulting from an unexpected setback in the current economic recovery; inflation in the cost of materials used to develop communities and construct homes; the adverse effect of slower order absorption rates; potential write-downs or write-offs of assets, including pre-acquisition costs and deposits; a change to the feasibility of projects under option or contract that could result in the write-down or write-off of option deposits; our ability to successfully integrate acquired companies and achieve anticipated benefits from these acquisitions; our potential exposure to natural disasters; competition; the adverse impacts of cancellations resulting from relatively small deposits relating to our sales contracts; construction defect and home warranty claims; changes in tax laws; adverse legal rulings; our success in prevailing on contested tax positions; our ability to obtain performance bonds in connection with our development work; the liquidity of our joint ventures and the ability of our joint venture partners to meet their obligations to us and the joint venture; the loss of key personnel; our failure to comply with laws and regulations; limitations of our geographic diversification; fluctuations in quarterly operating results; our financial leverage and level of indebtedness and our ability to take certain actions because of restrictions contained in the indentures for our senior notes and our ability to raise additional capital when and if needed; our credit ratings; successful integration of future acquisitions; our compliance with government regulations and the effect of legislative or other initiatives that seek to restrain growth of new housing construction or similar measures; acts of war; the replication of our "Green" technologies by our competitors; our exposure to information technology failures and security breaches; and other factors identified in documents filed by the company with the Securities and Exchange Commission, including those set forth in our Form 10-K for the year ended December 31, 2013 and most recent 10-Q under the caption "Risk Factors," which can be found on our website.

MeritageHomes CORPORATION

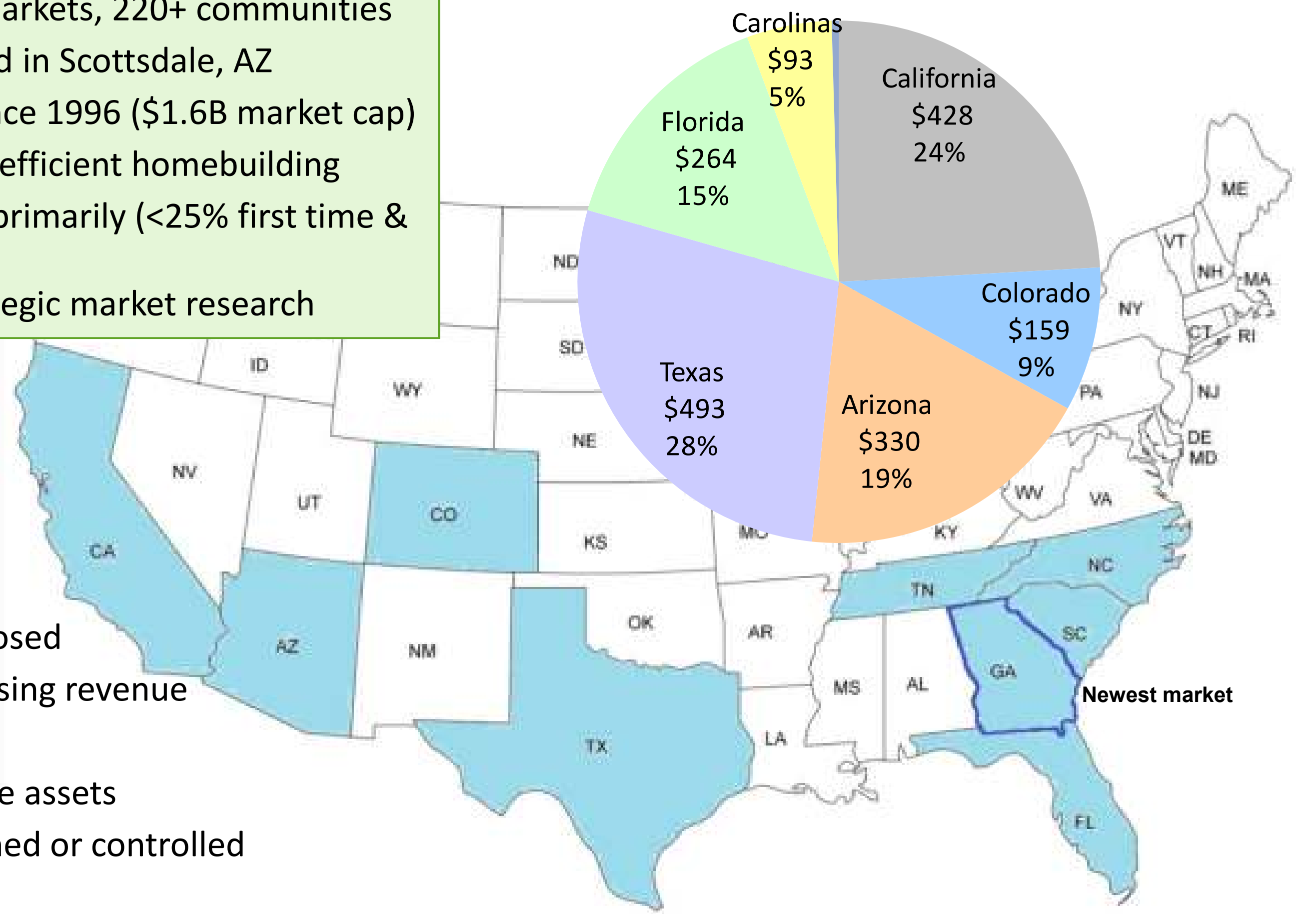
Who is Meritage Homes?






- 9th largest U.S. homebuilder by 2013 closings
  - 9 states, 21 markets, 220+ communities
  - Headquartered in Scottsdale, AZ
  - NYSE: MTH since 1996 ($1.6B market cap)
- Leader in energy-efficient homebuilding
- Move-up buyers primarily (<25% first time & active adult)
- Best-in-class strategic market research

2013 Home Closing Revenue by State ($Millions)

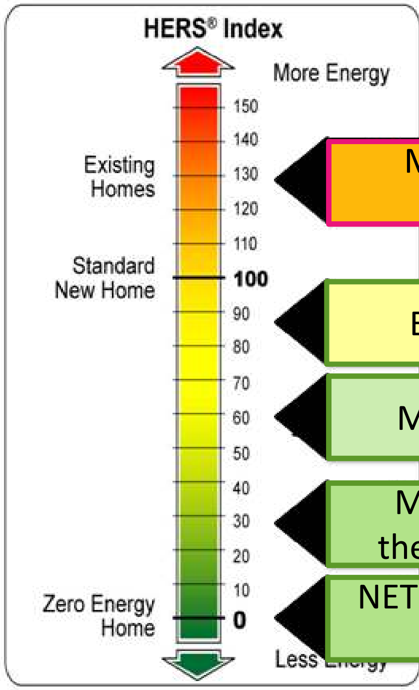


2013 Stats:

- 5,259 homes closed
- $1.8B home closing revenue
- $339,000 ASP
- $1.4B real estate assets
- 25,662 lots owned or controlled

National builder with top-5 market share in some of the best long-term housing markets

Setting the Standard for Energy-Efficient Homes



Most existing homes are very *energy inefficient*

ENERGY STAR® standard <80

Meritage Homes standard <60

Meritage home with advanced thermo-electric solar system <30

NET ZERO option -- offered in most Meritage communities

Recognized as ENERGY STAR® *Partner of the Year for Sustained Excellence in 2013 and 2014* – their highest award

Product Value - Better is Better

Low Utility Costs (Energy Label)

Healthier (VOCs, Merv 8, SPF, sealed attic)

More Comfortable (Low e2 windows, SPF, conditioned attic, TStat)

Cleaner (Merv 8, SPF, sealed attic)

Quieter (Low e2 Windows, SPF, sealed attic)

Safer (SPF, sealed attic, water management, Low Vocs)

Not Economically Reproducible in Resale

MeritageHomes® CORPORATION






Primarily Move-Up Buyer Segment

(based on MTH Mortgage backlog as of 9/30/14)

- **Average FICO score – 745**
  - 99% over 620+
  - 79% over 700+
- **Average LTV – 85%** (avg. loan amt $315K)
  - 48% at 80% or lower
  - 82% down payment at least 5%
- **100% full doc loans**
- **Loan type:**
  - **76% conventional**
  - **10% FHA**
  - **13% VA**
  - **1% Rural (USDA)**

Credit statistics of our buyers have improved due to larger share of move-up buyers and tighter credit

MeritageHomes CORPORATION

One of the Most Trusted Builders in America
According to study by Lifestory Research, January 2014

43,000 surveys among new home shoppers in 27 of the top new construction markets in the United States in 2013

"Trust is the new currency that consumers are seeking from companies with whom they wish to engage in a purchase relationship. Each year millions of households explore and seek a new place to live. As consumers shop for a new home, they come into contact with new home builders and their associated brands. Having trust in a builder provides consumers with the confidence in making a purchase decision. So, the question is – which home builders are trusted the most by consumers?"

Lifestory Research 2014
Most Trusted Builder in America Study℠

#	Builder Name	Index Score
1	Ashton Woods	113.2
2	Meritage Homes	112.8
3	David Weekley Homes	111.8
4	Toll Brothers	109.4
5	Taylor Morrison	109.1
6	Standard Pacific	108.7
7	Shea Homes	106.2
8	Drees Homes	105.3
9	Ryan Homes (NVR)	105.2
10	Khovnanian	101.6
11	Highland Homes	101.3
12	M/I Homes	96.5
13	Richmond American	96.2
14	Lennar	93.9
15	Ryland Homes	93.2
16	Pulte Homes	92.8
17	D.R. Horton	92.6
18	Beazer Homes	86.5
19	Centex Homes	82.3
20	KB Home	78.6

No advertising or other promotional use can be made of the information in this document without the express prior written consent of Lifestory Research.

Charts and graphs extracted from this document must be accompanied by a statement identifying Lifestory Research as the publisher and "Lifestory Research 2014 Most Trusted Builders in America Study℠" as the source. Rankings are based on numerical scores, and not necessarily on statistical significance.






Operations in 14 of the Top 20 Markets for Homebuilding Activity

2013 Rank	Metrolabel *(Meritage markets in Yellow)*	Single Family Permits 2013	SF Permits Growth Y/Y
1	Houston, TX	34,507	20.5%
2	**Atlanta, GA (Legendary Communities)**	14,678	60.1%
3	Dallas, TX (MDiv)	14,678	-0.1%
4	Phoenix, AZ	12,885	8.0%
5	Washington D.C., DC-VA-MD-WV (MDiv)	10,903	20.1%
6	Orlando, FL	9,492	29.6%
7	Austin, TX	9,241	11.9%
8	Charlotte, NC-SC	8,049	20.1%
9	Raleigh-Cary, NC	8,039	25.1%
10	Tampa, FL	7,324	24.5%
11	Minneapolis, MN-WI	7,140	24.2%
12	Las Vegas, NV	7,067	15.7%
13	Nashville, TN	7,045	31.9%
14	Denver, CO	6,971	24.3%
15	Seattle, WA (MDiv)	6,412	6.2%
16	Oklahoma City, OK	6,363	16.2%
17	Jacksonville, FL	6,276	37.1%
18	Fort Worth, TX (MDiv)	6,125	13.1%
19	San Antonio, TX	5,841	14.5%
20	Riverside-San Bernardino, CA	5,764	28.4%



Added #2 homebuilding market – Atlanta – with recent acquisition

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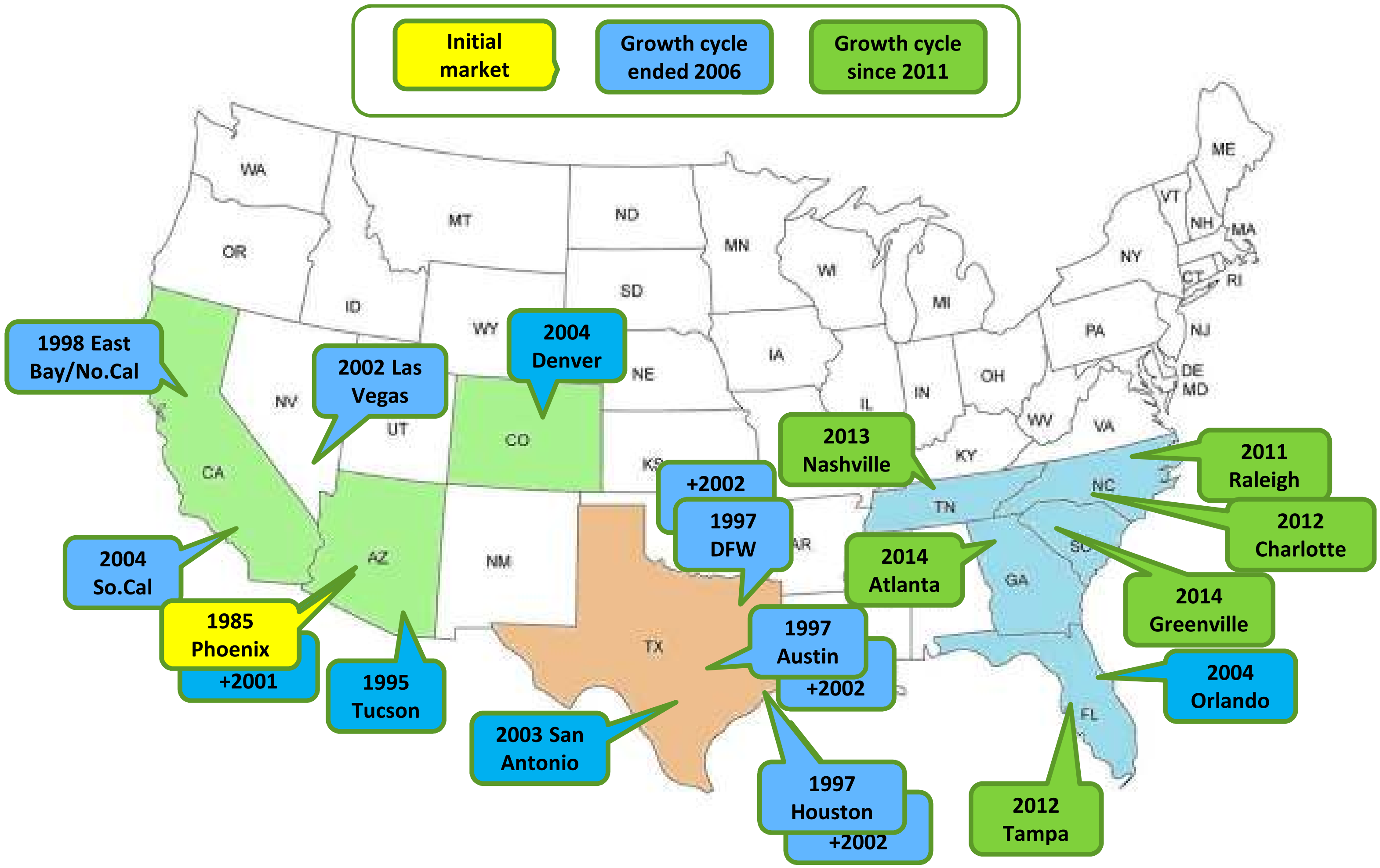
Successful Strategy of Investing for Growth and Diversification



Proven record of producing excellent shareholder returns while growing and expanding our footprint

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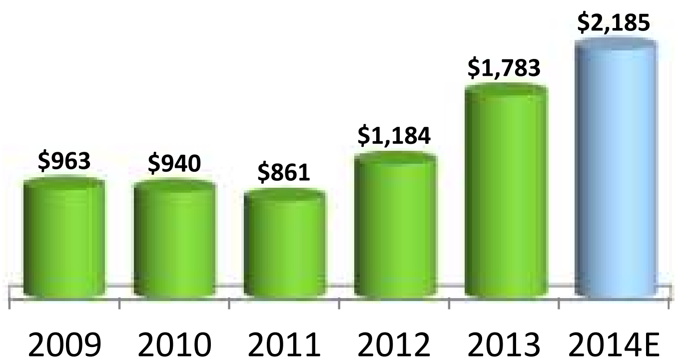
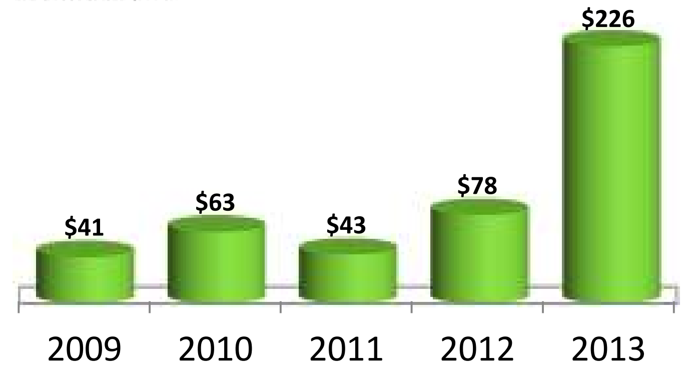
Significant Growth Achieved Since the Bottom of the Housing Cycle

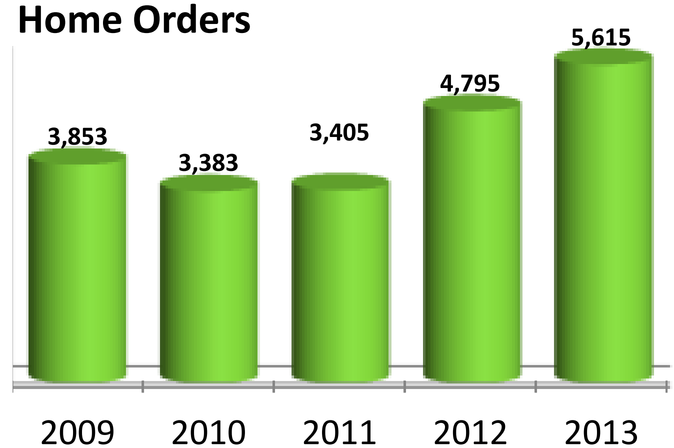
Home Closing Revenue
($ millions)



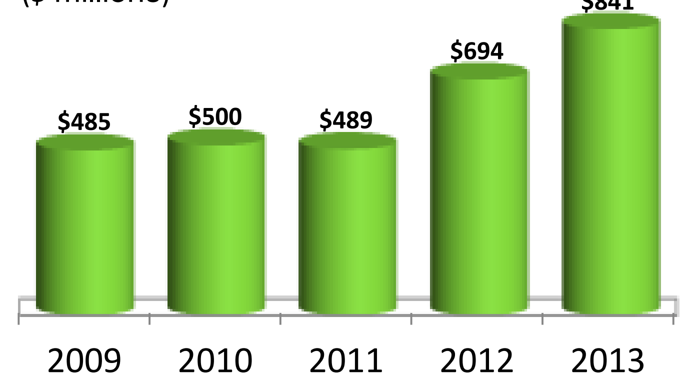
Adjusted EBITDA(1)
($ millions)



Home Orders



Shareholders' Equity
($ millions)



(1) Adjusted EBITDA excludes impairments and other non-cash items

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Year-to-Date Improvements in Operating Results

$000's except EPS	**YTD 2014**	**YTD 2013**	***Favorable/ (Unfavorable) Change***
Home closings	**3,999**	3,791	***+5%***
ASP	**$364**	$330	***+10%***
Home closing revenue	**$1,454,103**	$1,249,897	***+16%***
Home closing gross margin	**21.6%**	21.5%	***+10 bps***
Home closing gross profit	**$313,798**	$268,340	***+17%***
Pretax margin	**9.6%**	8.7%	***+90 bps***
Net earnings	**$93,033**	$78,375	***+19%***

YTD earnings increase driven by top line growth, margins and operating leverage

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Guidance Conveyed to the Street on 3Q14 Analyst Call

- Expect to add **5-10 net new communities in 4Q14**, ending 2014 at 230-235
- 4Q14 guidance:
  - **$700-735M home closing revenue** (higher than pre-guidance consensus)
  - **$1.00-$1.05 EPS** (in line with pre-guidance consensus estimate)
- Expect growth in closings & **home closing revenue in 2015 (+20%)** based upon growth in community count and ASP’s already achieved in 20014
- Expect **earnings growth somewhat better than 20%** due to overhead leverage
- Anticipate **home closing gross margins to settle out a 21.0-21.5%** (before temporary negative impact of Legendary purchase accounting)

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Supply/Demand Conditions Still Favorable for Continued Growth

- **Demand Exceeds Supply**

  2.6M jobs created in last year

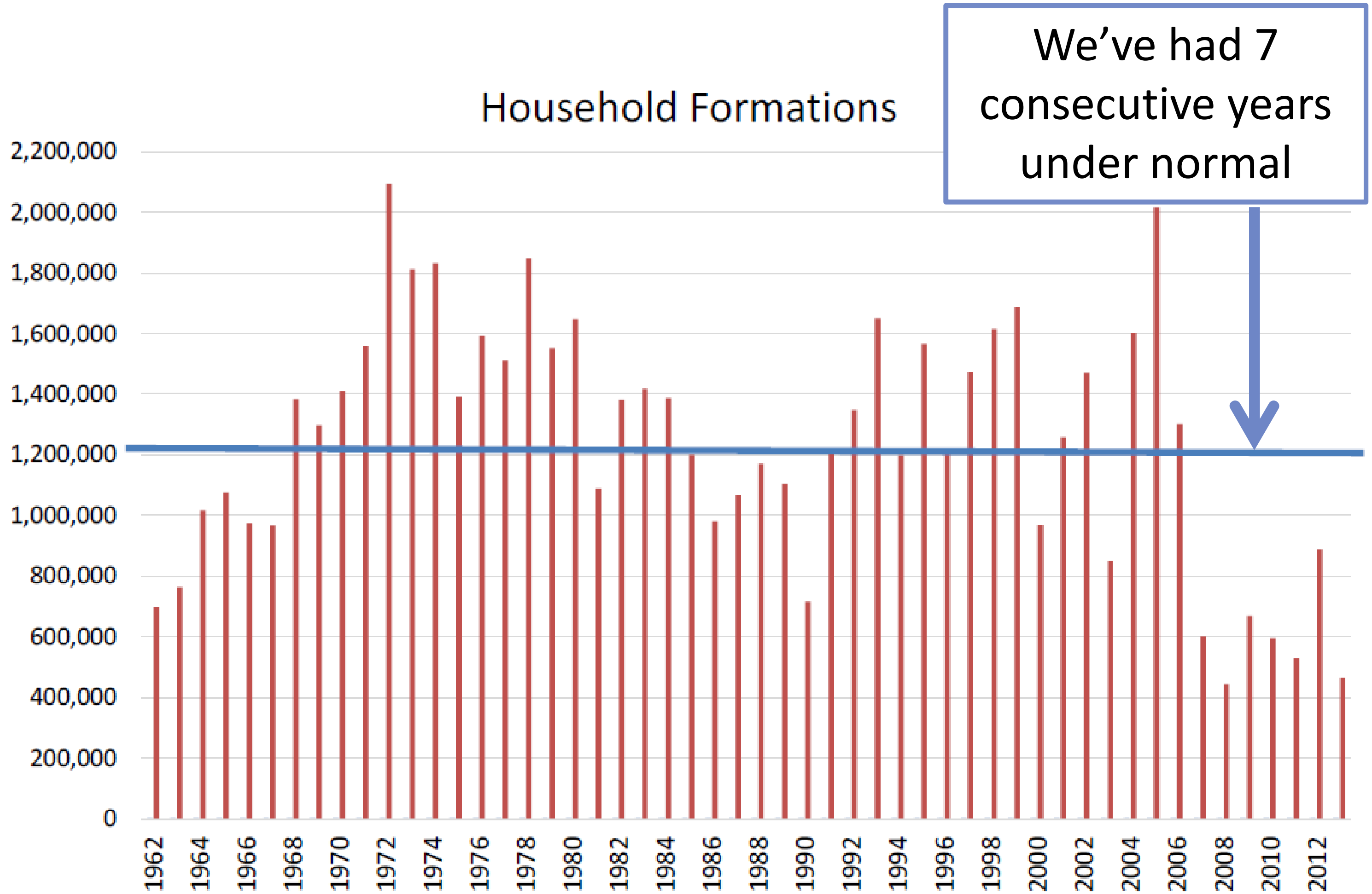
  ÷ 1.02M total permits

  = 2.6 jobs/housing unit (1.2 is normal)

- **Affordability**
  - Burns Affordability Index: 2.4 (scale 0 to 10)
- **Supply Is Low**
  - Resale = 5.3 months (7.2 is average)

Source: John Burns Real Estate Consulting

Household Formations = New Home Demand Still Well Below Normal Levels



Source: Census Bureau

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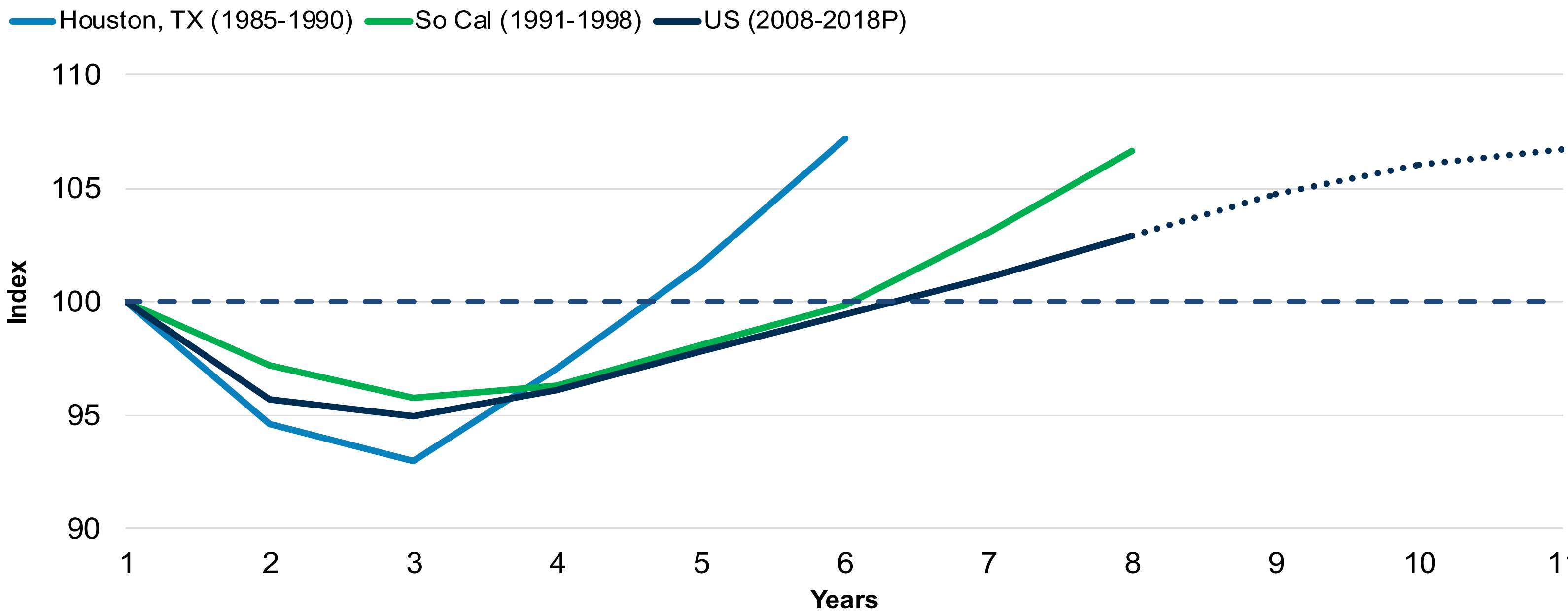
Current Cycle Compared to Past Regional Cycles

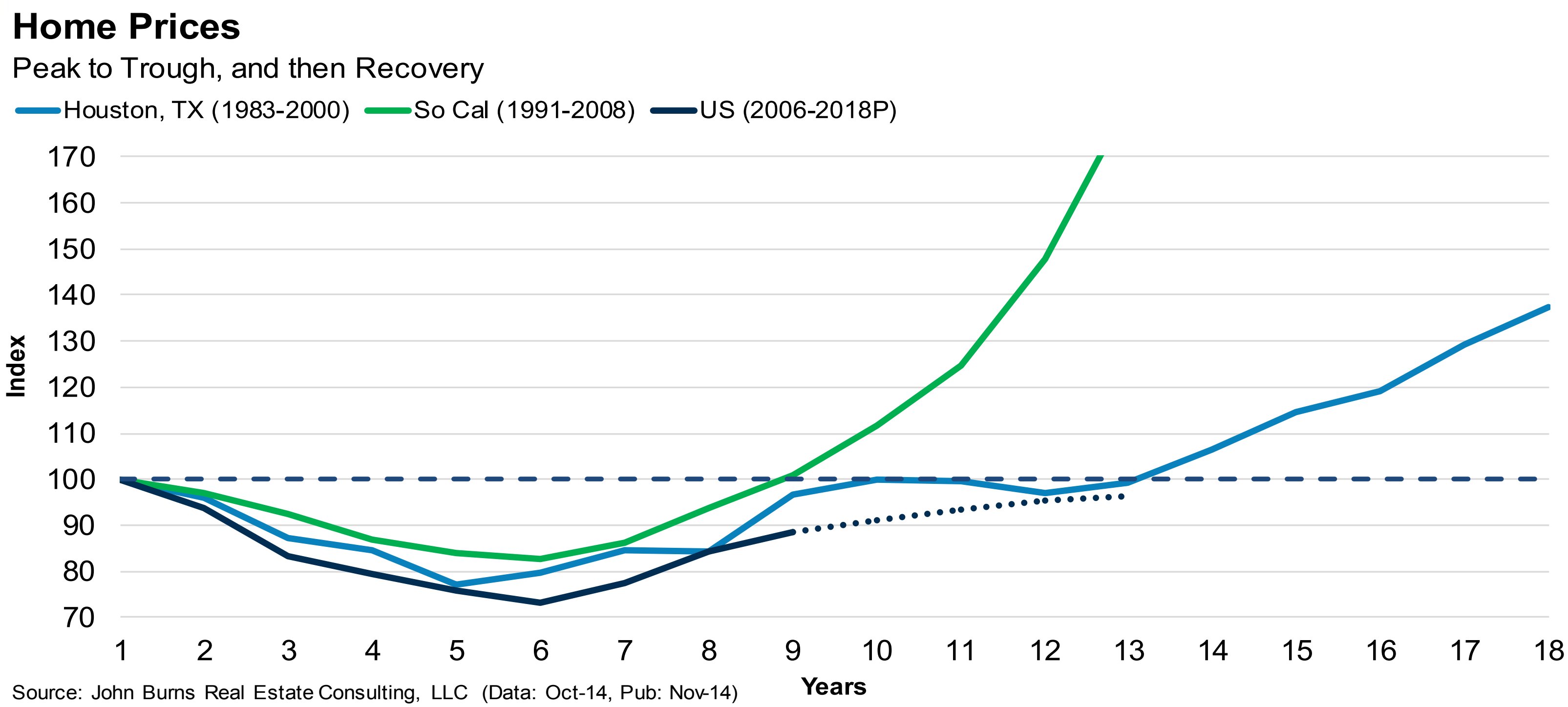
Employment

Peak to Trough, and then Recovery



Source: John Burns Real Estate Consulting, LLC (Data: Sep-14, Pub: Nov-14)

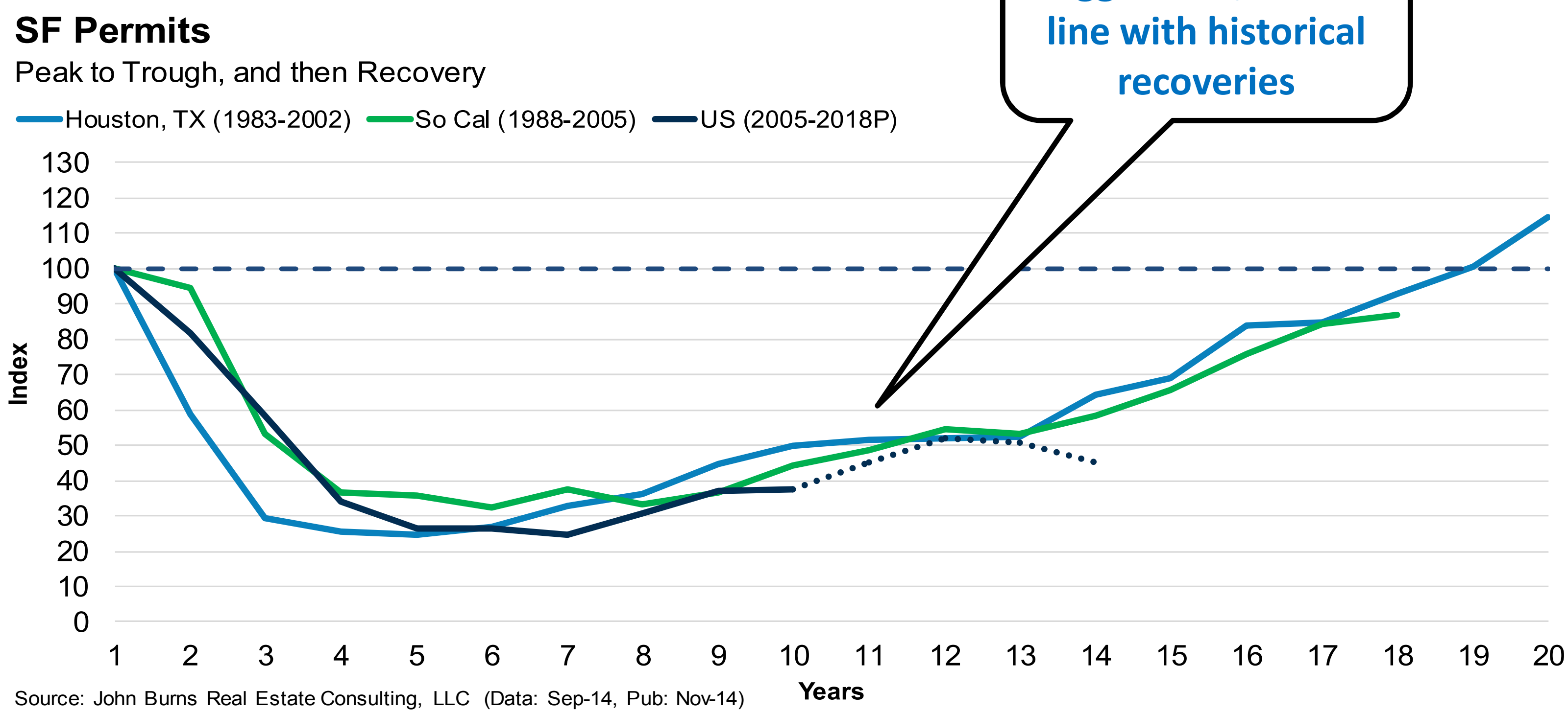
Prices fell 17-28% over 5-6 years and rebounded steadily through year 9



Source: John Burns Real Estate Consulting, LLC (Data: Oct-14, Pub: Nov-14)

Construction fell 70-75% in all 3 cases over 6-7 years

+21% in 2015 aggressive, but in line with historical recoveries



Source: John Burns Real Estate Consulting, LLC (Data: Sep-14, Pub: Nov-14)






Significant Growth Opportunities

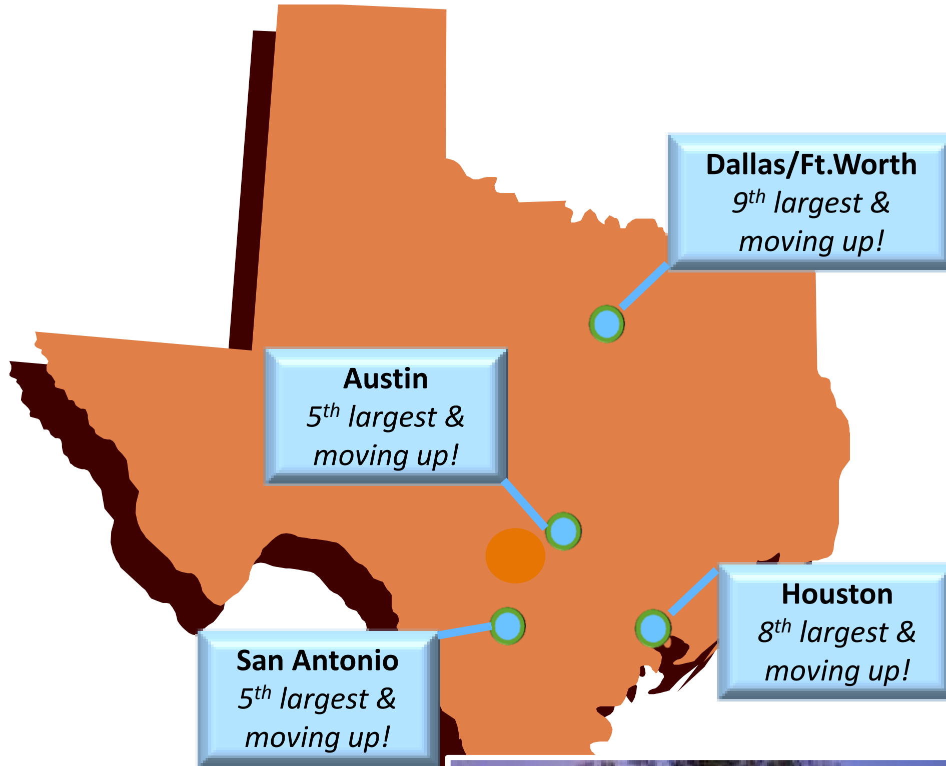
- Strong franchise in growing Texas markets
- Increasing active community count
- Organic growth supplemented with strategic acquisitions
- Legendary acquisition completed Aug- 2014

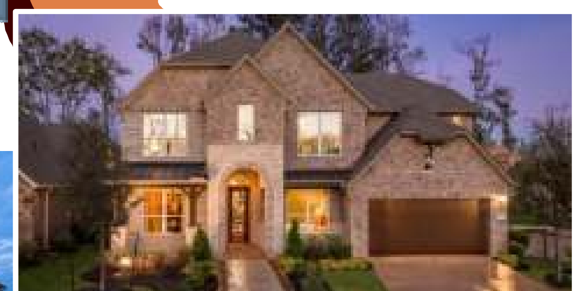


Strong Franchise in Texas

Source: Metrostudy total closings 1Q-2Q2014

Rank	Builder	4 market total
1	DR Horton/Emerald	3,474
2	Lennar/Village	1,895
3	Pulte/Centex	1,429
4	KB Home	1,205
5	**Meritage/Monterey**	**917**
6	K Hovnanian/Brighton Homes	901
7	Perry	826
8	Highland	801
9	David Weekley	788
10	LGI Homes	745
11	Taylor Morrison/Darling Homes	704
12	Ryland	690
13	Gehan	598
14	First Texas Homes	575
15	Beazer	520
16	CastleRock	484
17	Ashton Woods	473
18	Standard Pacific	336
19	Westin Homes	327
20	Lake Ridge Builders	313





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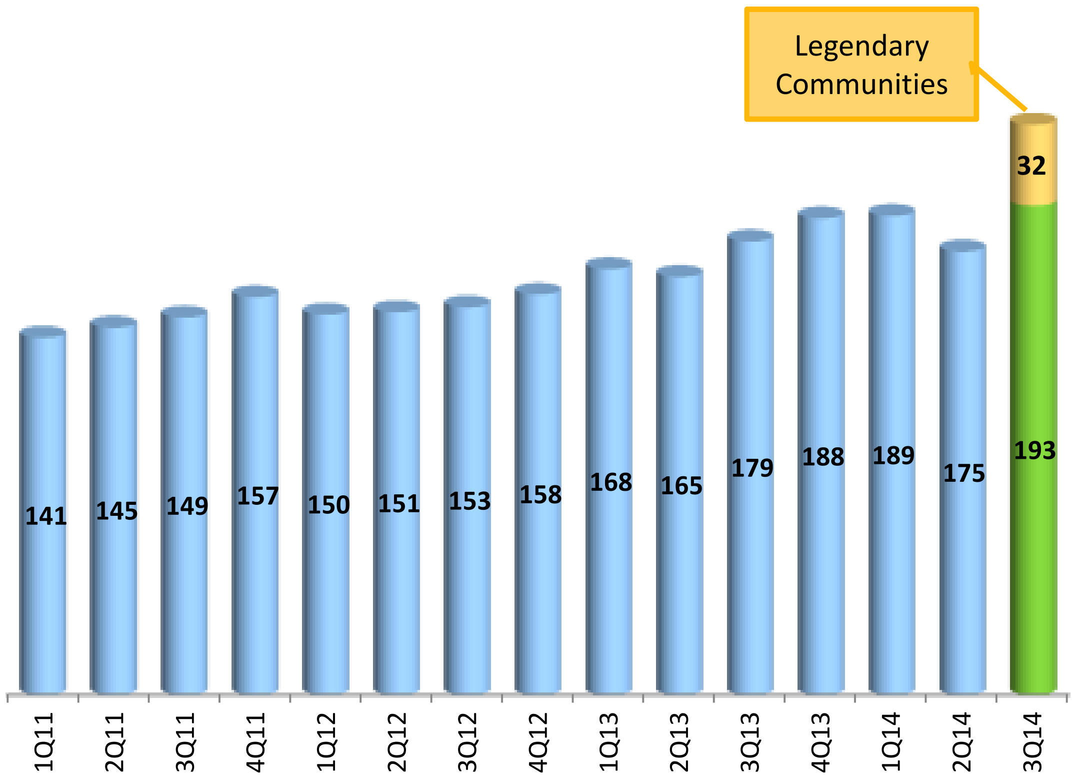
Growing Active Community Count

- Grew Y/Y community count for last 12 quarters
- Ended 3Q14 with 225 actively selling communities



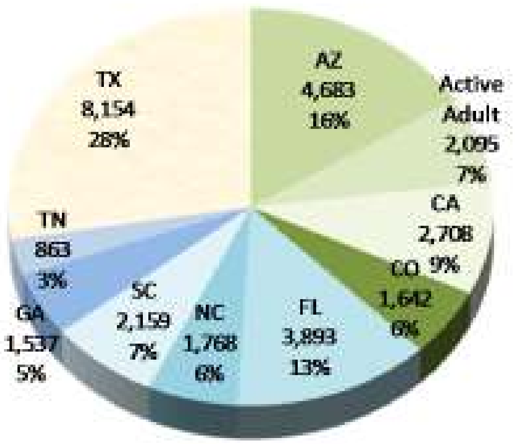
Orders per Average Community

	3Q14	3Q13	Chg%
AZ	4.7	6.2	-24%
CA	8.5	10.6	-20%
CO	10.6	8.0	33%
West Region	**6.8**	**7.6**	**-11%**
TX	8.0	7.6	5%
Central Region	**8.0**	**7.6**	**5%**
FL	9.4	9.1	3%
GA	5.6	n/a	n/a
NC	7.8	5.1	53%
SC	4.6	n/a	n/a
TN	10.0	7.3	37 %
East Region	**7.8**	**7.4**	**5%**
Total	**7.5**	**7.6**	**-1%**

Plan to grow community count to 230-235 by year-end 2014

Investing in Land & Development for Continued Growth

29,527 Total Lot Supply



~5,400 Net New Lots Put Under Contract in 3Q 2014, including ~4,000 from acquisition of Legendary Communities

Invested $183M in land & development (excl. Legendary) during 3Q14, maintaining approximately 5-yrs supply of lots

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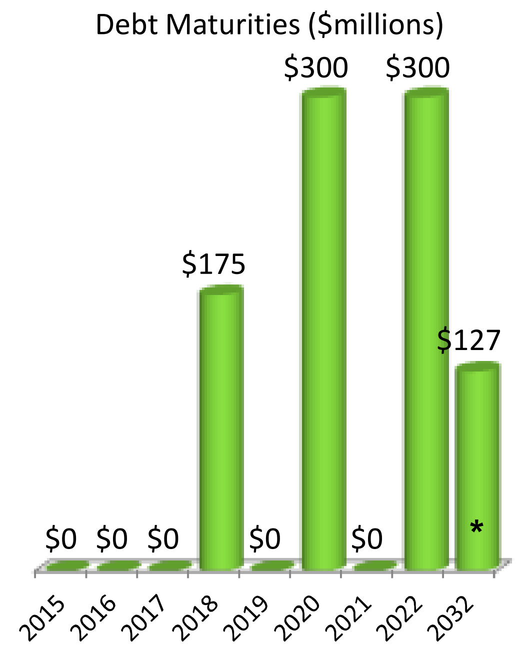
Maintaining a Strong Balance Sheet

$ in millions	Septemer 30, 2014	December 31, 2013
Total Cash & Securities	$ 94.0	$ 363.8
Total Outstanding Debt	$ 904.6	$ 905.1
Equity	$ 1,056.7	$ 841.4
Net Debt to Capital	43.4%	39.1%
Real Estate	$ 1,865.1	$ 1,405.3

Credit Ratings

	Moody's	S&P	Fitch Ratings
Long-term Rating	Ba3	BB-	BB-
Outlook	Stable	Stable	Stable



* $126.5 convertible 1.875% due 2032 with optional puts in 2017, 2022 & 2027

No maturities until March 2018; nothing drawn on $400M credit facility

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Meritage Homes Strategic Position

Market Position	• Operating in 14 of top 20 homebuilding markets in U.S. • Expanded into 6 new growing markets since 2011 • Communities predominantly in the best submarkets
Sound Land Pipeline & Measured Acquisition Strategy	• Control sufficient lots for substantially all of 2015 projected home closings • High % of lot inventory and land acquisition positions in attractive locations • Acquired Phillips Builders in Aug-2013 & Legendary Communities in Aug-2014
Differentiated Product	• Setting the standard for energy-efficient homebuilding • Best-in-class Strategic Market Research • New home plans and features more attractive to buyers
Sales & Marketing	• Best-in-class sales management systems • Increasing sales efficiency through website, social networking, national call center
Earnings Growth	• Growing lot supply and community count • Among the highest orders/community of public builders • Increasing margins + overhead leverage
Strong Balance Sheet	• Strong liquidity • Low net debt/capital • No near-term debt maturities

Many opportunities to grow, with a history of outperforming the industry as a whole

MeritageHomes CORPORATION






Non-GAAP Reconciliations

	September 30,2014	December 31, 2013	December 31, 2013
Notes payable and other borrowings	$904,629	905,055	905,055
Less: cash and cash equivalents, plus investments and securities	(93,962)	(363,823)	(363,823)
Net debt	810,667	541,232	541,232
Stockholders' equity	1,056,697	841,392	841,392
Total capital	$1,867,364	1,382,624	1,382,624
Net debt-to-capital	43.4%	39.1%	39.1%