

30th
Anniversary

Bringing families home
for 30 years.



Setting the standard for energy-efficient homes™

Forward-Looking Statements

This presentation and accompanying comments during our analyst call contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include management's expectations with respect to 2015 home closing gross margins, that a number of closings in Texas and Colorado may be delayed into 2016, estimates for home closing revenue and earnings per diluted share for 2015, and that the company expects to continue to grow revenue and expand earnings.

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 or our failure to comply with 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 due to lower oil prices or other factors; 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; 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; construction defect and home warranty claims; adverse legal rulings; our success in prevailing on contested tax positions; our ability to obtain performance bonds in connection with our development work; 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, 2014 and subsequent quarterly reports on Forms 10-Q under the caption "Risk Factors," which can be found on our website.

Overview of Meritage Homes

- 7th largest homebuilder by 2014 U.S. closings
 - 9 states, 21 markets, 240 communities
 - Headquartered in Scottsdale, AZ
 - NYSE: MTH since 1996 (\$1.7B market cap)
- Leader in energy-efficient homebuilding
- Move-up buyers primarily (<25% first time & active adult)
- Best-in-class strategic market research
- Strong balance sheet and credit ratings

Key Stats - TTM through or as of June 30, 2015:

- 6,276 homes closed
- \$2.34B home closing revenue
- \$373,000 ASP
- \$2.03B real estate assets
- 29,087 total lots owned or controlled



Meritage is a growth story – tremendous expansion over the last 5 years

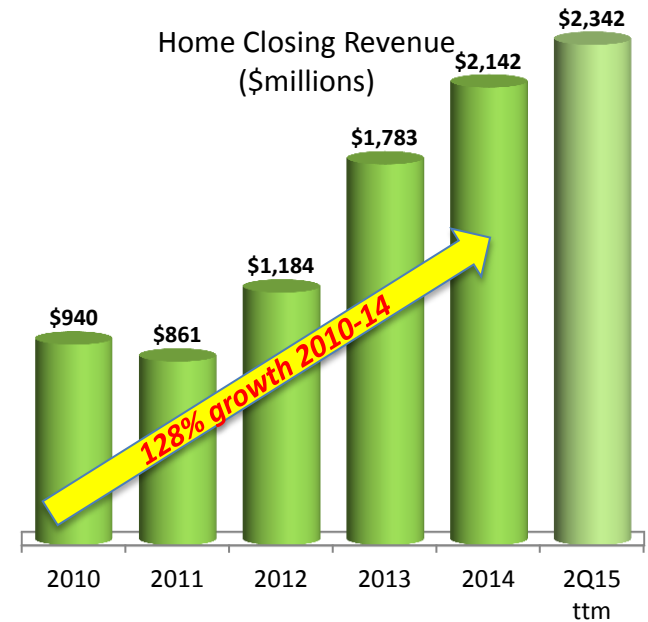
Home Orders



Active Communities



Home Closing Revenue (\$millions)

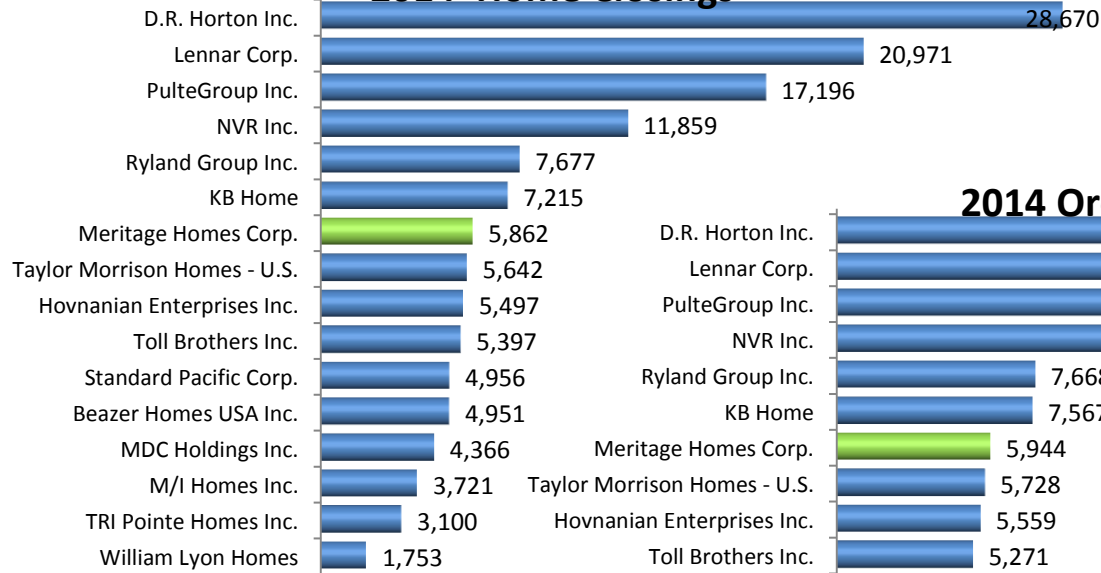


Projecting continued growth in orders and home closing revenue in 2015, ending with 255-260 communities

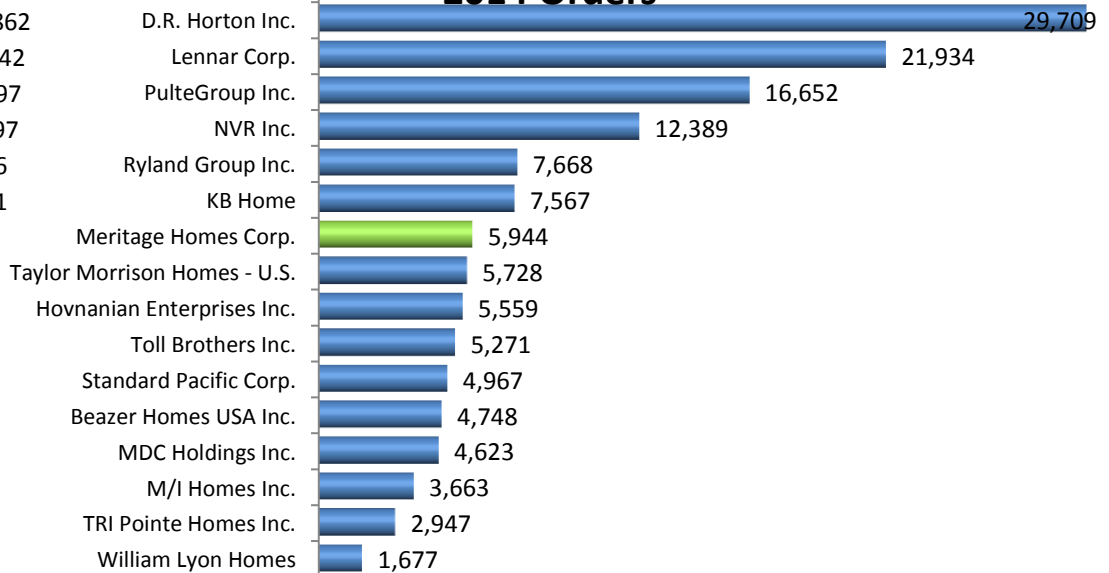
Moved up from 13th largest homebuilder in the U.S. in 2005 to 7th largest in 2014



2014 Home Closings



2014 Orders

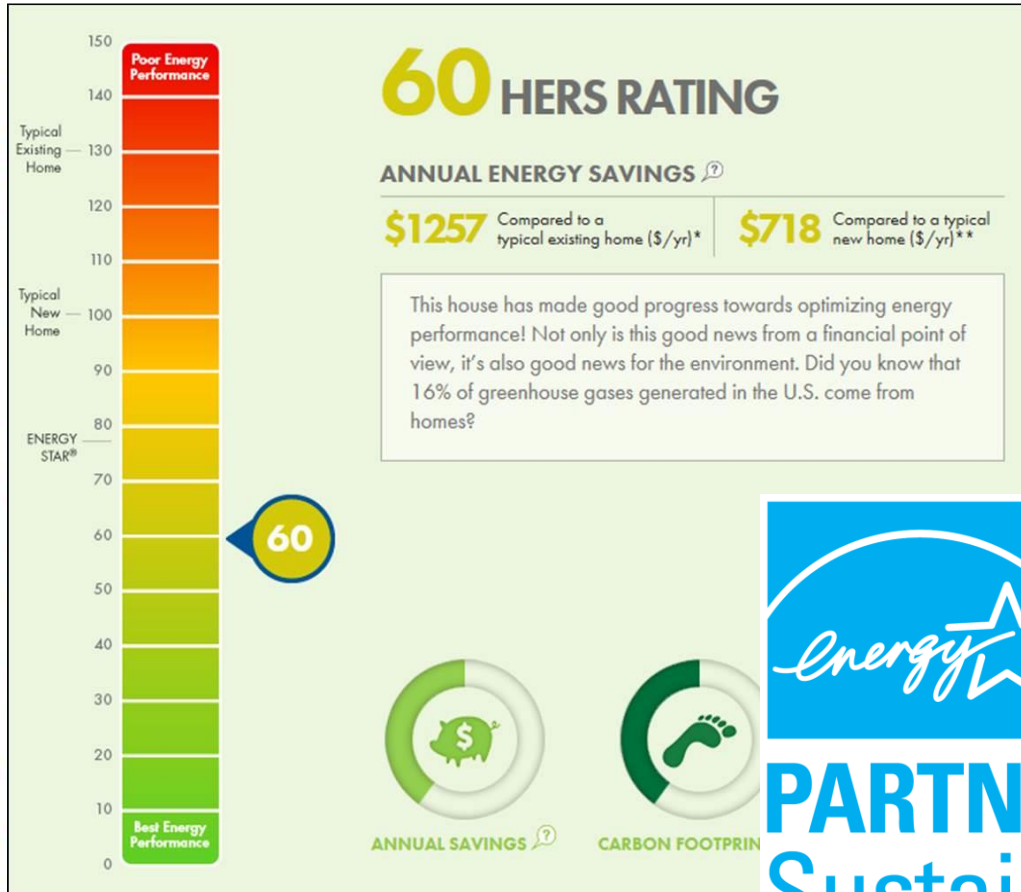


Source: SNL financial

Increased our market share throughout the cycle



Setting the Standard for Energy-Efficient Homes

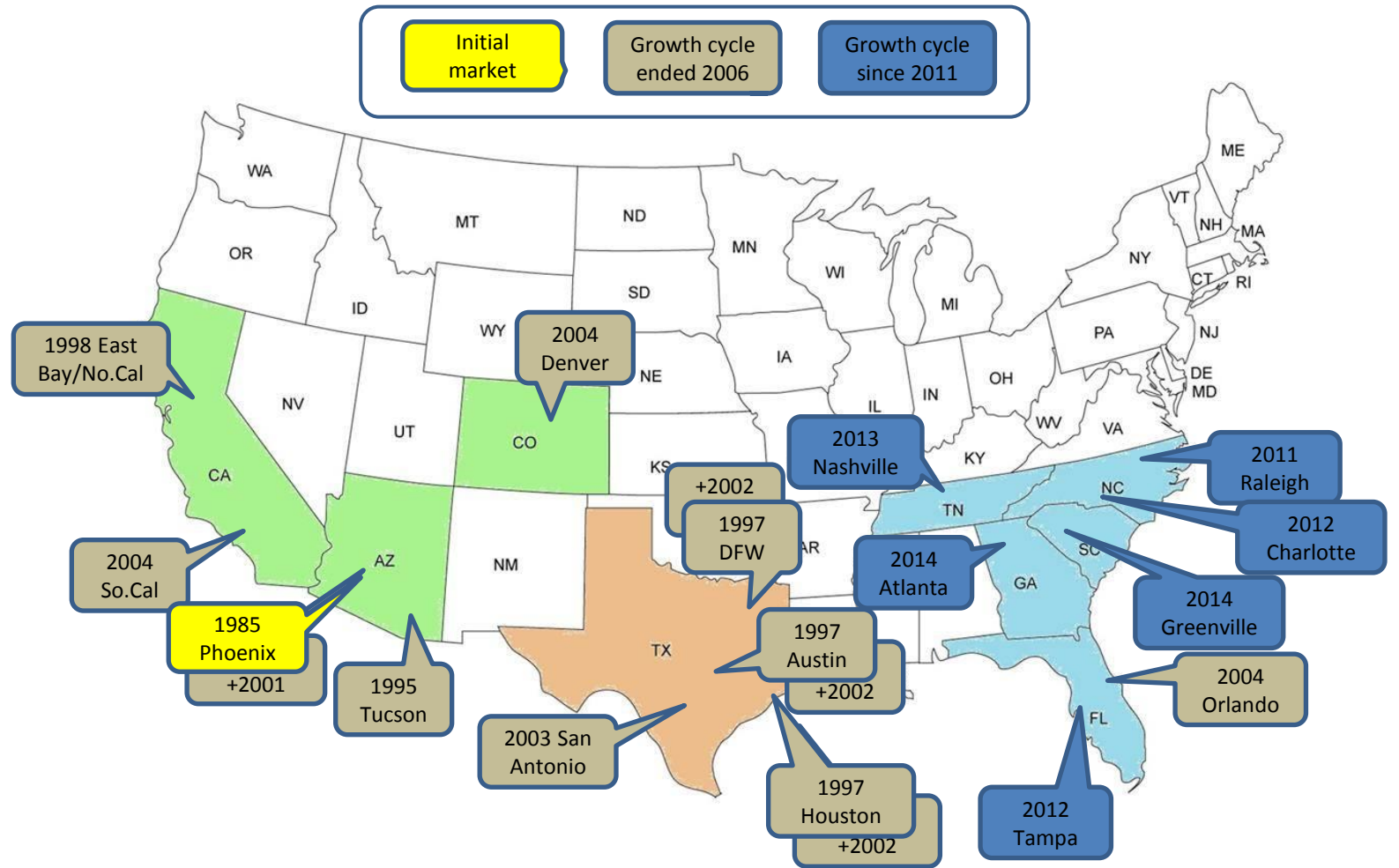


PARTNER OF THE YEAR
Sustained Excellence

3rd consecutive year to win highest award



History of strategic expansion for growth and diversification



Proven record of success with acquisitions and greenfield startups

In 13 of the top 15 markets for homebuilding activity

Mkt Rank	Market	SF Permits in 2014 (Est. Feb-2015)	MTH Rank* (SFD closings)
1	Houston, TX	38,321	9
2	Dallas - Fort Worth, TX	22,628	12
3	Atlanta, GA	16,878	8
4	LA - Riverside - OC, CA	15,800	15
5	Phoenix, AZ	11,693	3
6	Austin, TX	11,601	5
7	Tampa - Sarasota, FL	11,431	20
8	Wash. DC (Wash., DC-VA-MD-WV MDiv)	9,996	-
9	Orlando, FL	9,962	3
10	Raleigh - Durham, NC	9,844	12
11	Charlotte, NC-SC	8,885	11
12	Denver - Boulder, CO	8,439	5
13	Nashville, TN	8,316	6
14	Salt Lake - Provo - Ogden, UT	7,480	-
15	San Jose-Oakland-San Franc, CA	6,841	8
16	Las Vegas, NV	6,752	-
17	Minneapolis, MN-WI	6,632	-
18	Jacksonville, FL	6,306	-
19	Seattle, WA (MDiv)	6,253	-
20	FT Myers - Naples, FL	6,200	-
21	Central Valley, CA	6,190	**
22	San Antonio, TX	6,156	5

Newest markets

*MTH division ranking in closest statistical market

** Central Valley and San Jose-Oakland-San Franc, CA combined rank 8th

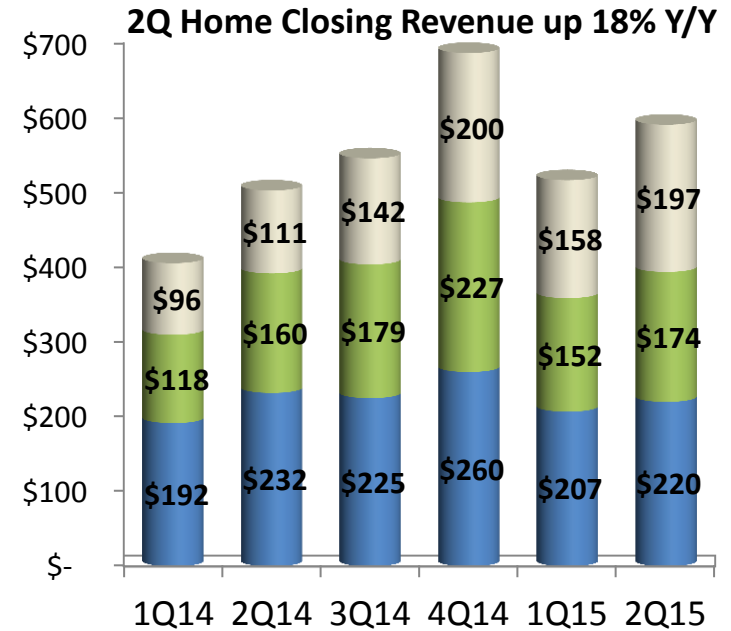
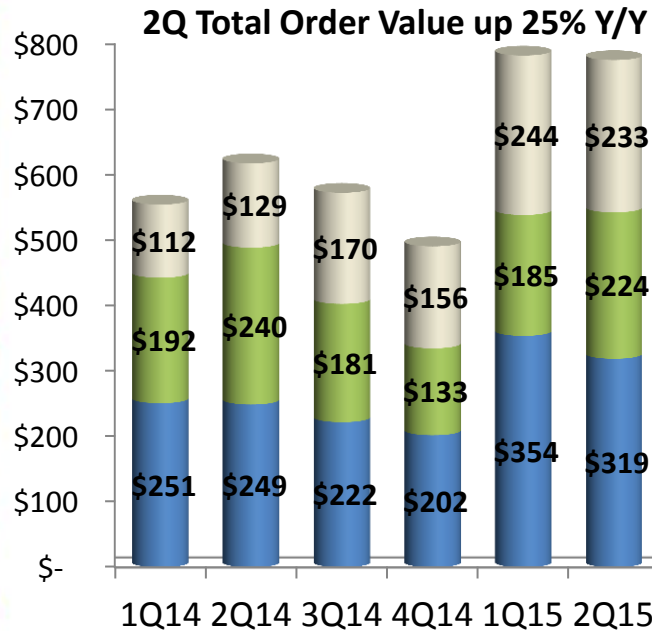


Top-10 positions in many markets

New markets in the South and Florida are contributing significantly to growth



(\$ in millions)



East region grew to 32% of revenue YTD Jun-15 compared to 23% YTD Jun-14

Second Quarter & YTD Summary Results

(\$000s, except per share amounts)	Three Months Ended			Six Months Ended		
	June 30,			June 30		
	2015	2014	%Chg	2015	2014	%Chg
Homes closed (units)	1,556	1,368	14%	2,891	2,477	17%
ASP – closings	\$380	\$368	3%	\$383	\$367	5%
Home closing revenue	\$591,027	\$502,800	18%	\$1,108,300	\$908,579	22%
Sales orders (units)	1,986	1,647	21%	3,965	3,172	25%
ASP – orders	\$391	\$375	4%	\$393	\$370	6%
Sales order value	\$775,815	\$618,435	25%	\$1,558,627	\$1,173,475	33%
Ending backlog (units)				3,188	2,548	25%
ASP – backlog				\$407	\$373	9%
Ending backlog value				\$1,296,779	\$951,568	36%
Home closing gross profit	\$114,237	\$109,961	4%	\$210,390	\$202,560	4%
Home closing gross margin	19.3%	21.9%	(260) bps	18.9%	22.3%	(340) bps
Net earnings	\$29,133	\$35,079	(17)%	\$45,533	\$60,456	(25)%
Diluted EPS	\$ 0.70	\$ 0.85	(18)%	\$ 1.10	\$ 1.48	(26)%

Strong growth in closings, revenue, orders and backlog, offset by reduced gross margins

Summary of recent results & guidance

- Strong Y/Y growth in 2Q15:
 - Home closings & revenue
 - Orders & order value
 - Backlog units & value
 - Actively selling communities
- Gross margin expansion over previous quarter
- Improving overhead leverage on normalized basis

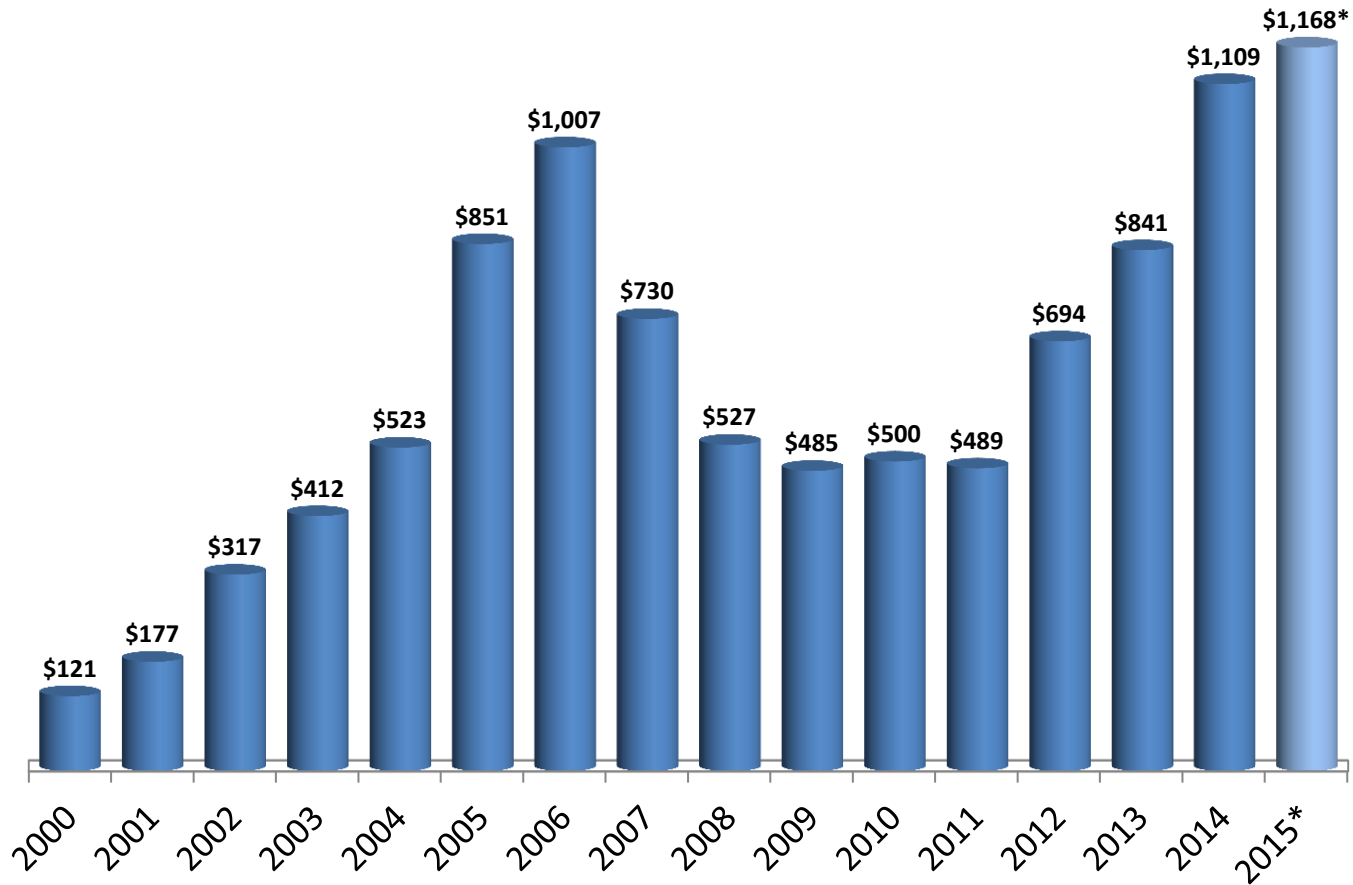
Guidance for 2015 issued 7/29/15 and 9/9/15:

- Home closing revenue \$2.65-2.75 billion
- 250-260 communities by year-end
- Home closing gross margin slightly under 20% target, impacted by rising construction labor costs
- Diluted EPS ~\$0.70-0.85 in 3Q15; ~\$3.30-3.75 for FY15



Increasing Shareholder Value

Strong growth in Shareholders' Equity (\$ millions; year-end)

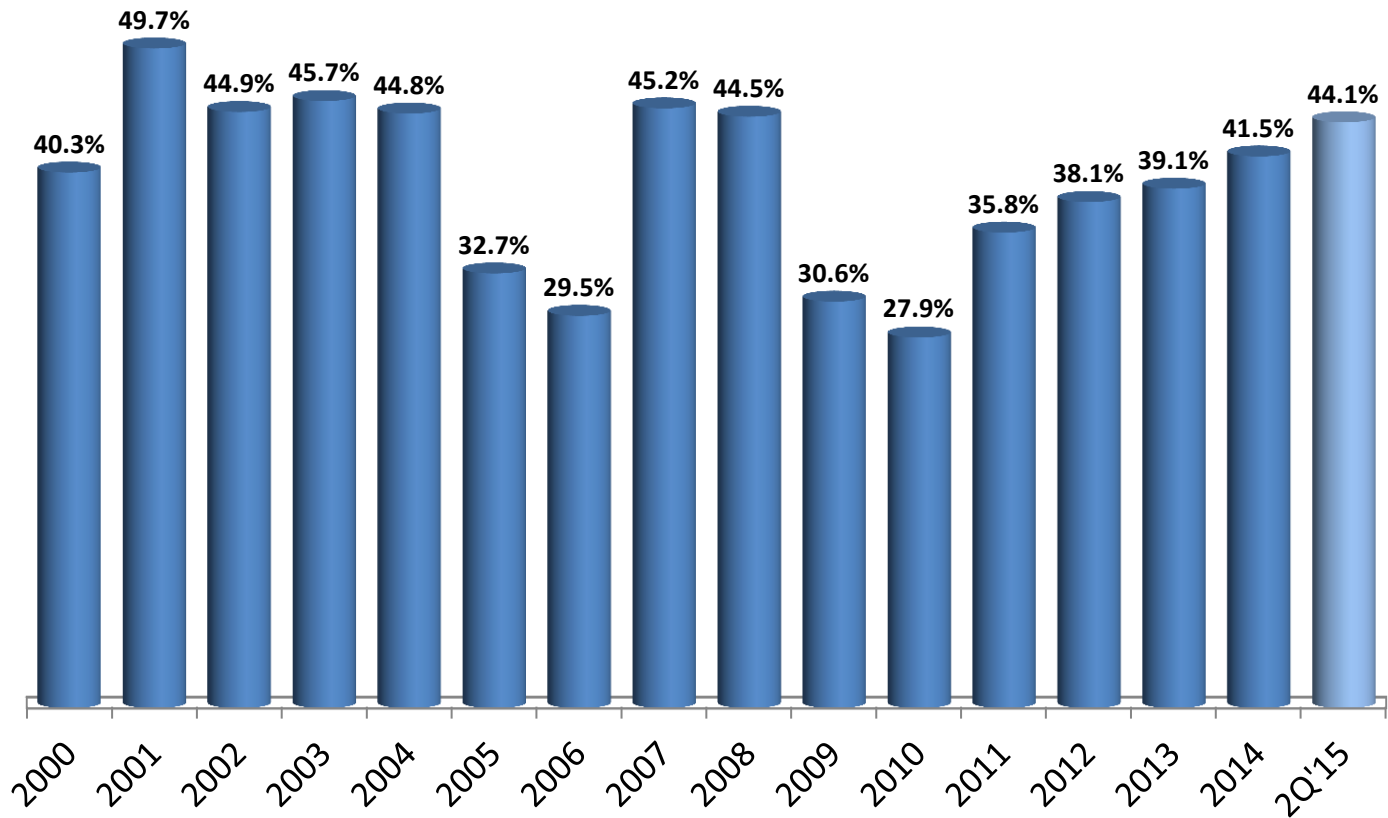


* As of 6/30/15



Prudent Capital Structure

Year-end Net Debt / Net Capitalization within our target range



* As of 6/30/15

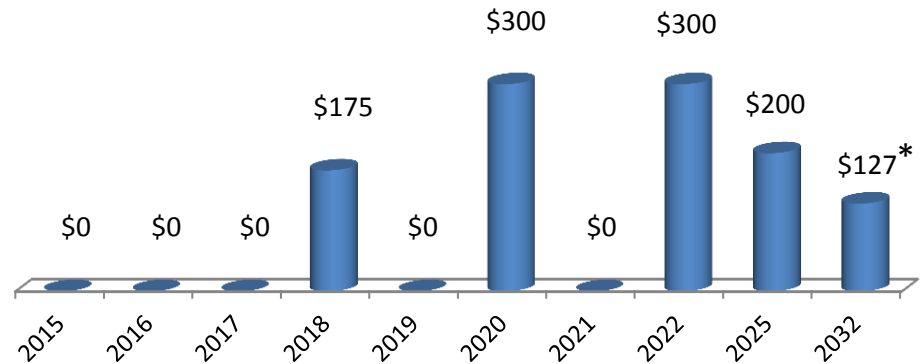
Strong Balance Sheet & credit ratings

(\$ millions)	6/30/2015	12/31/2014
Total Cash & Cash Equivalents	\$217	\$103
\$500mm Unsecured Revolving Credit Facility	-	-
Notes payable & other borrowings	\$1,139	\$935
Real Estate	\$2,027	\$1,878
Book Value of Equity	\$1,168	\$1,109
Net Debt to Net Capital	44.1%	42.9%

Credit Ratings

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

Debt Maturities (\$millions)

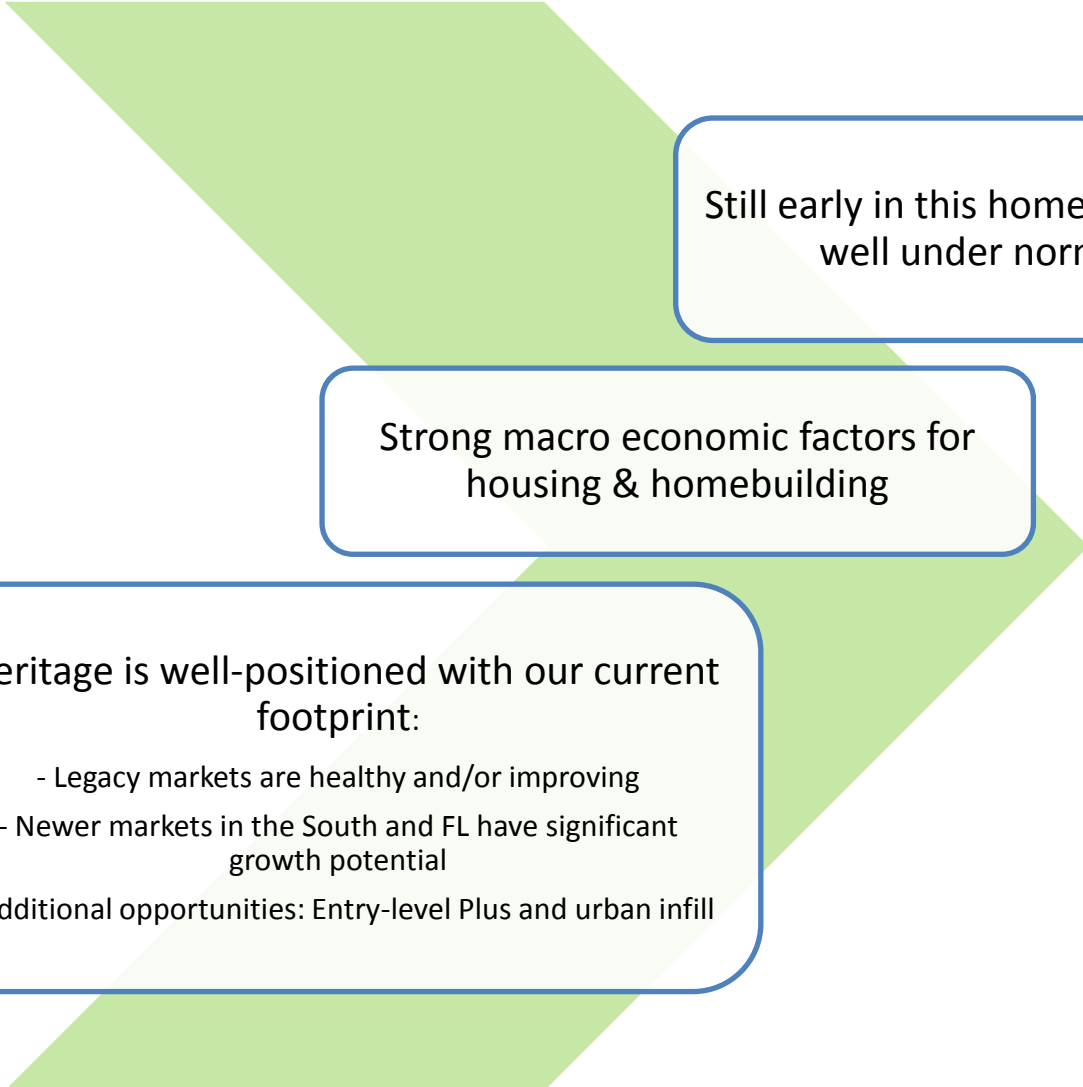


* \$126.5 convertible 1.875% due 2032 with optional puts in 2017, 2022 & 2027;

Issued \$200M of 6% senior unsecured notes June 2015;
extended maturity of Revolving Credit Facility to 2019



Drivers of future growth



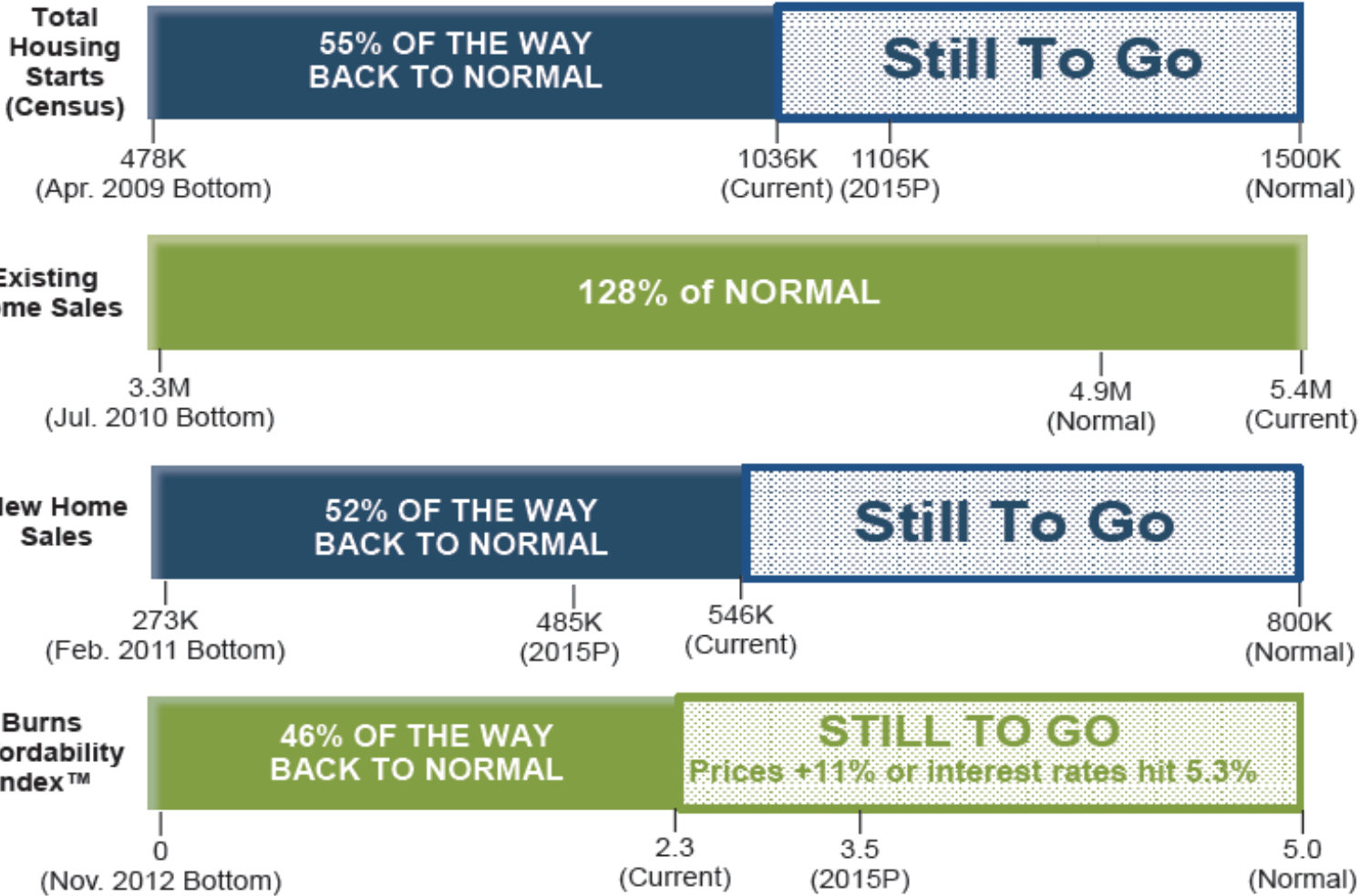
Still early in this homebuilding cycle --
well under normal levels

Strong macro economic factors for
housing & homebuilding

Meritage is well-positioned with our current
footprint:

- Legacy markets are healthy and/or improving
- Newer markets in the South and FL have significant growth potential
- Additional opportunities: Entry-level Plus and urban infill

Still early in this housing cycle



Source: John Burns Real Estate Consulting, LLC (Pub: Jun-15)

Plenty of room to grow before industry analysts expect the cycle to peak



Macro economic drivers for homebuilding

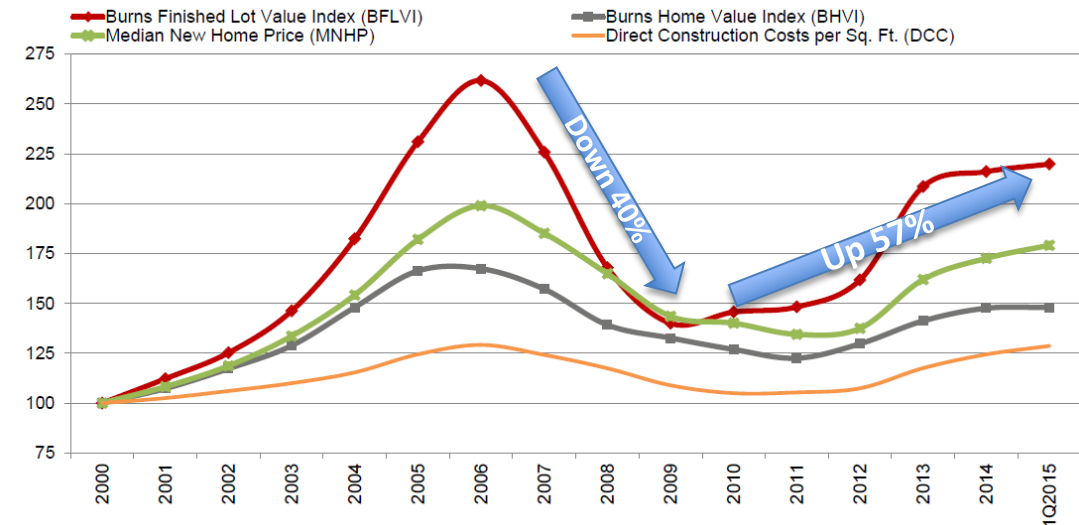
Driver		Trend
Jobs / employment	+	Payrolls up / unemployment down
Household formations	+	Improving in 2015
Consumer confidence	+	Optimistic
Housing market activity	+	New & existing home sales up YTD
Inventory homes for sale	+	Low – both new & existing supplies
Home prices	+	High demand & low supply driving increases
Interest rates	+	Low – still hovering around 4%
Affordability	+	High, despite price increases
Mortgage availability	+	Improving slowly
Government intervention	+	Mostly positive

It's a good time to be in the homebuilding business!

Strategy behind Entry-level Plus positioning

- Land prices have outpaced home prices and construction cost inflation

Burns Finished Lot Value Index vs. Home Prices and Direct Costs



Source: John Burns Real Estate Consulting, LLC (Pub: Jun-15)

- Maintain or improve affordability by:
 - Exploring higher-density product types, close to employment centers
 - Reducing construction costs through value engineered product
 - Locating emerging markets with lower lot prices

Summary

- Meritage is a national homebuilder with broad geographic presence in many of the best markets
- The leader in energy efficient home building
- Strong balance sheet and prudent capital structure
- Track record of successful expansion

Well-positioned for additional growth:

- Continued recovery of the housing market
- Solid positions in existing markets
- Ramping up new markets in the South and FL to improve sales pace & margins
- Pent-up demand for Entry-Plus product

