



Setting the standard
for energy-efficient homes®

FIRST QUARTER 2022 ANALYST CONFERENCE CALL

APRIL 28, 2022

**LIFE.
BUILT.
BETTER.®**

SAFE HARBOR

The information included in this presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include expectations about the housing market in general; projected 2022 home closings, home closing revenue, home closing gross margins, effective tax rate and diluted earnings per share; future community counts; trends in construction costs; and expectations about our future results.

Such statements are based on the current beliefs and expectations of Company management and current market conditions, which are subject to significant uncertainties and fluctuations. Actual results may differ from those set forth in the forward-looking statements. The Company makes no commitment, and disclaims any duty, except as required by law, 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: changes in interest rates and the availability and pricing of residential mortgages; the potential benefits of rate locks; inflation in the cost of materials used to develop communities and construct homes; trends in construction costs, supply chain and labor constraints; our ability to acquire and develop lots may be negatively impacted if we are unable to obtain performance and surety bonds; the ability of our potential buyers to sell their existing homes; legislation related to tariffs; the adverse effect of slow absorption rates; impairments of our real estate inventory; cancellation rates; competition; home warranty and construction defect claims; failures in health and safety performance; fluctuations in quarterly operating results; our level of indebtedness; our ability to obtain financing if our credit ratings are downgraded; our potential exposure to and impacts from natural disasters or severe weather conditions; the availability and cost of finished lots and undeveloped land; the success of our strategy to offer and market entry-level and first move-up homes; a change to the feasibility of projects under option or contract that could result in the write-down or write-off of earnest money or option deposits; our limited geographic diversification; the replication of our energy-efficient technologies by our competitors; shortages in the availability and cost of subcontract labor; our exposure to information technology failures and security breaches and the impact thereof; the loss of key personnel; changes in tax laws that adversely impact us or our homebuyers; our inability to prevail on contested tax positions; failure of our employees and representatives to comply with laws and regulations; our compliance with government regulations related to our financial services operations; negative publicity that affects our reputation; potential disruptions to our business by an epidemic or pandemic (such as COVID-19), and measures that federal, state and local governments and/or health authorities implement to address it; 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, 2021 under the caption "Risk Factors," which can be found on our website at www.investors.meritagehomes.com.

SPEAKERS



Steven J. Hilton – Executive Chairman

Phillippe Lord – Chief Executive Officer

Hilla Sferruzza – EVP & Chief Financial Officer

Emily Tadano – VP Investor Relations

RECENT EVENTS

Purchased fixed interest rate locks for eligible floating-rate mortgages in our backlog to close 2H22

Announced expansion of business operations into Salt Lake City

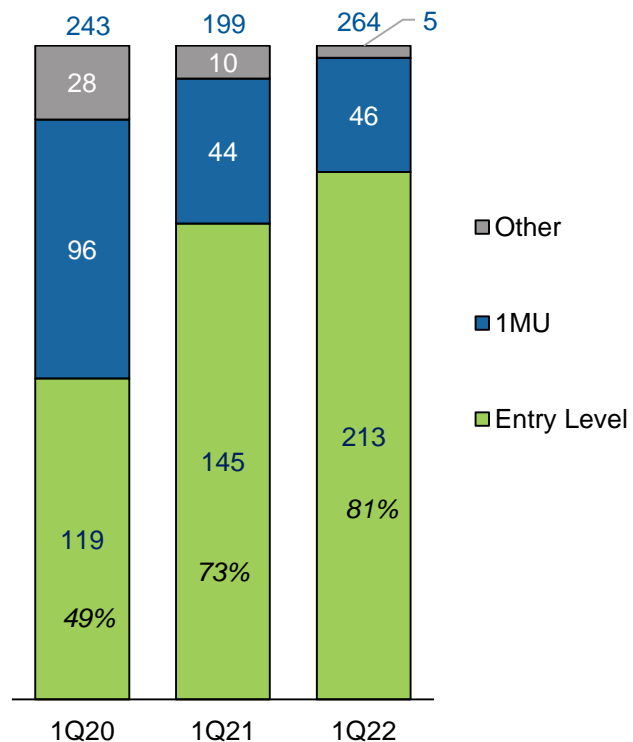
Kicked off our tree planting program to support urban tree populations



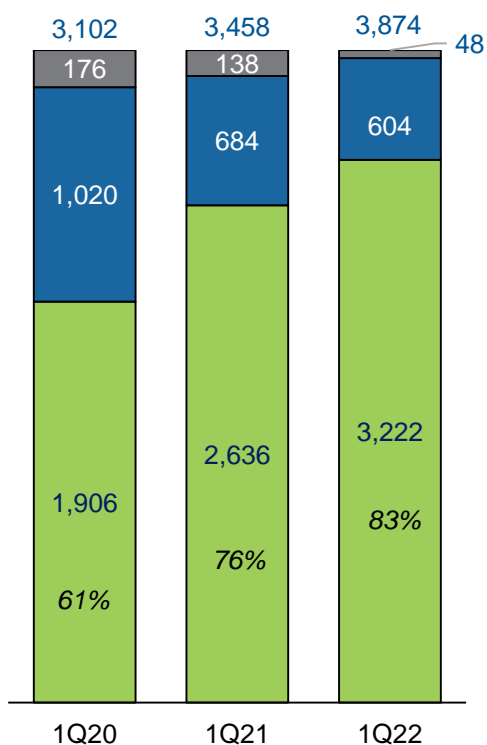
Announced the hire of Malissia Clinton as Meritage's new general counsel

EXPANDED ORDERS UNITS THROUGH COMMUNITY COUNT GROWTH

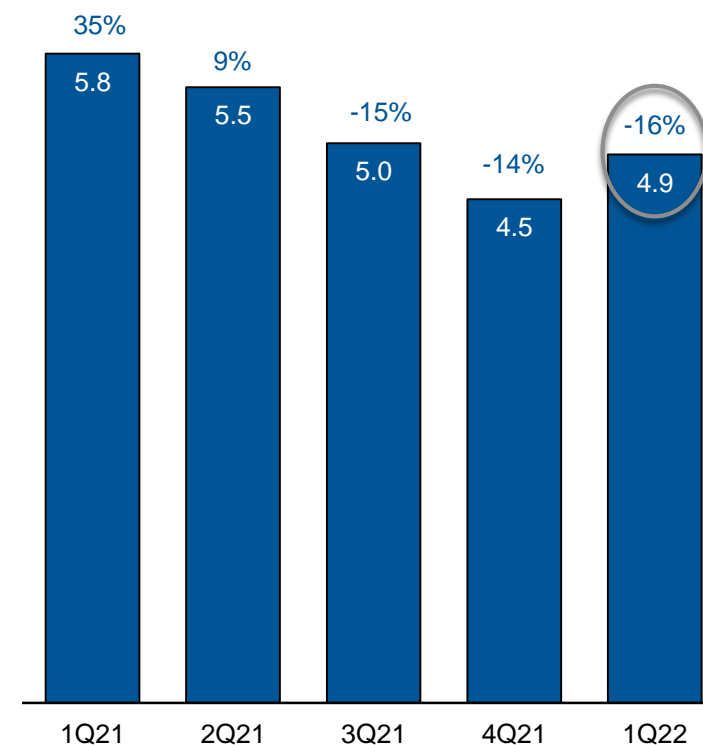
Average community count by product type



Orders by product type



Absorptions per month & Y/Y%

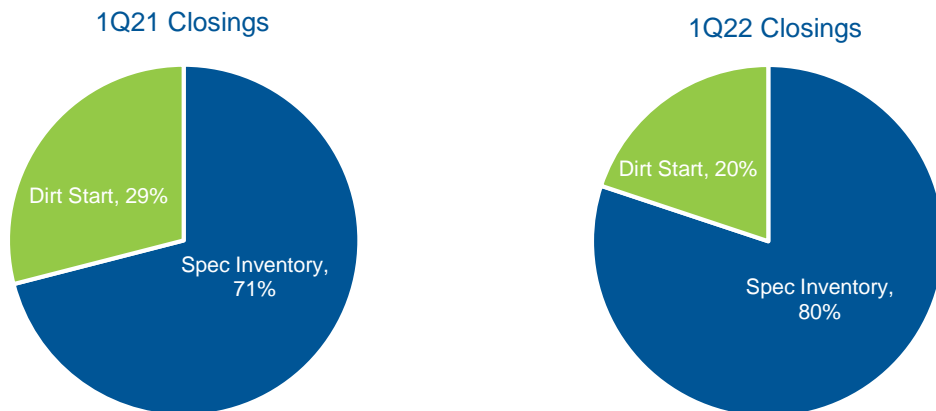


GROWTH IN AVERAGE COMMUNITY COUNT DROVE ORDER VOLUME IN ALL REGIONS

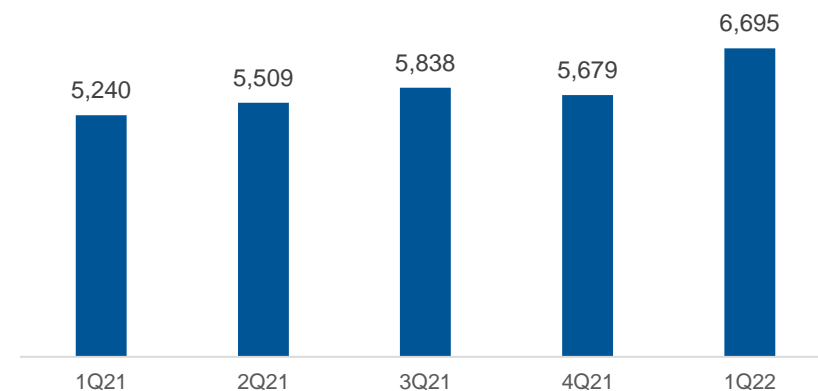
STATES & REGIONS Y/Y (%) changes 1Q22 vs 1Q21											
	AZ	CA	CO	West	Central (TX)	FL	GA	NC	SC	TN	East
Average Active Communities	39.5	22.5	17.5	79.5	74.0	41.0	15.0	27.5	13.5	13.0	110.0
	20%	29%	52%	28%	21%	34%	58%	22%	125%	73%	45%
Entry-level % Average Communities	75%	93%	60%	77%	82%	84%	73%	82%	85%	85%	82%
Absorption per month	4.6	5.1	4.0	4.6	5.8	4.7	4.9	4.5	3.8	3.9	4.5
	-25%	-6%	-18%	-19%	-5%	-10%	-16%	-27%	-10%	-41%	-20%
Orders	550	346	209	1,105	1,296	572	220	373	154	154	1,473
	-9%	21%	24%	5%	16%	19%	34%	-11%	103%	4%	15%
ASP on Orders	18%	18%	14%	21%	20%	6%	22%	16%	-2%	28%	12%
Order Value	8%	43%	40%	26%	40%	27%	64%	3%	99%	33%	29%

GREW SPECS & SPECS PER COMMUNITY DESPITE CONTINUING SUPPLY & LABOR CHALLENGES

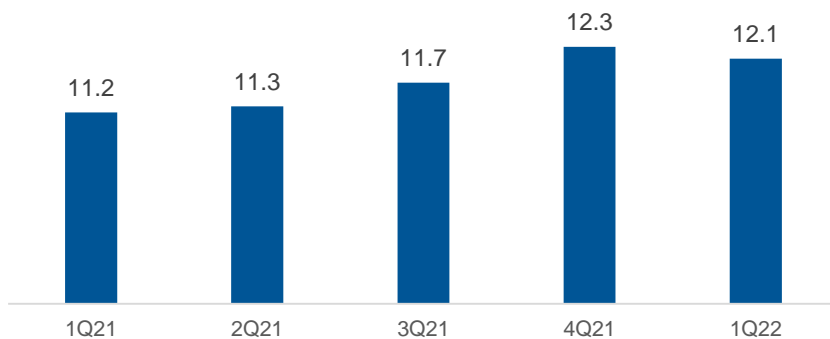
Home Closings



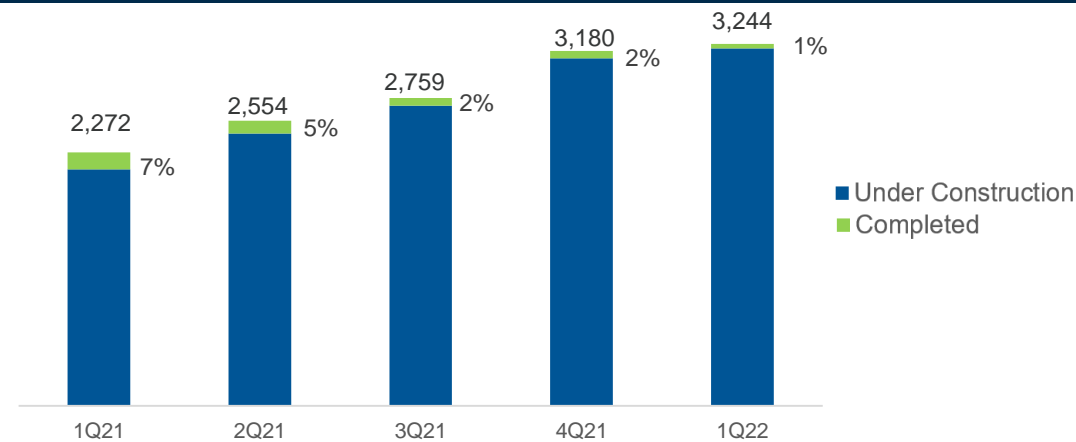
Ending Backlog Units



Average Specs Per Community



Total Specs



1Q22 IS ANOTHER QUARTER OF RECORDS

(\$ Millions except EPS & ASP)	1Q22	1Q21	%Chg
Home closings	2,858	2,890	(1)%
ASP (closings)	\$436K	\$374K	+17%
Home closing revenue	\$1,245.5	\$1,080.0	+15%
Home closing gross profit	\$377.6	\$266.7	+42%
Home closing gross margin	30.3%	24.7%	+560 bps
SG&A expenses	\$105.5	\$105.7	0%
% of home closing revenue	8.5%	9.8%	(130) bps
Earnings before taxes	\$285.9	\$166.0	+72%
Tax rate	24.0%	20.6%	+340 bps
Net earnings	\$217.3	\$131.8	+65%
Diluted EPS	\$5.79	\$3.44	+68%

1Q22 HIGHLIGHTS:

- Multiple company records set in 1Q22
 - Highest quarterly sales order volume
 - Second highest first quarter of home closings
 - Highest quarterly home closing gross margin
 - Highest first quarter of home closing revenue
 - Best quarterly SG&A leverage
- Higher tax rate in 1Q22 reflects expiration of tax act under which we earned energy tax credits for eligible homes in all of 2021

STRONG BALANCE SHEET PROVIDES FLEXIBILITY

Net Debt-to-Capital Reconciliation (\$ Millions)		
(non-GAAP reconciliation)	Mar 31, 2022	Dec 31, 2021
Notes payable & other borrowings	\$1,165	\$1,160
Stockholders' equity	\$3,168	\$3,044
Total capital	\$4,334	\$4,204
Debt-to-capital	26.9%	27.6%
Less: cash & cash equivalents	(\$520)	(\$618)
Net debt	\$645	\$542
Total net capital	\$3,813	\$3,586
Net debt-to-capital	16.9%	15.1%
Book value/share	\$86.34	\$81.53

Ample liquidity at March 31, 2022:

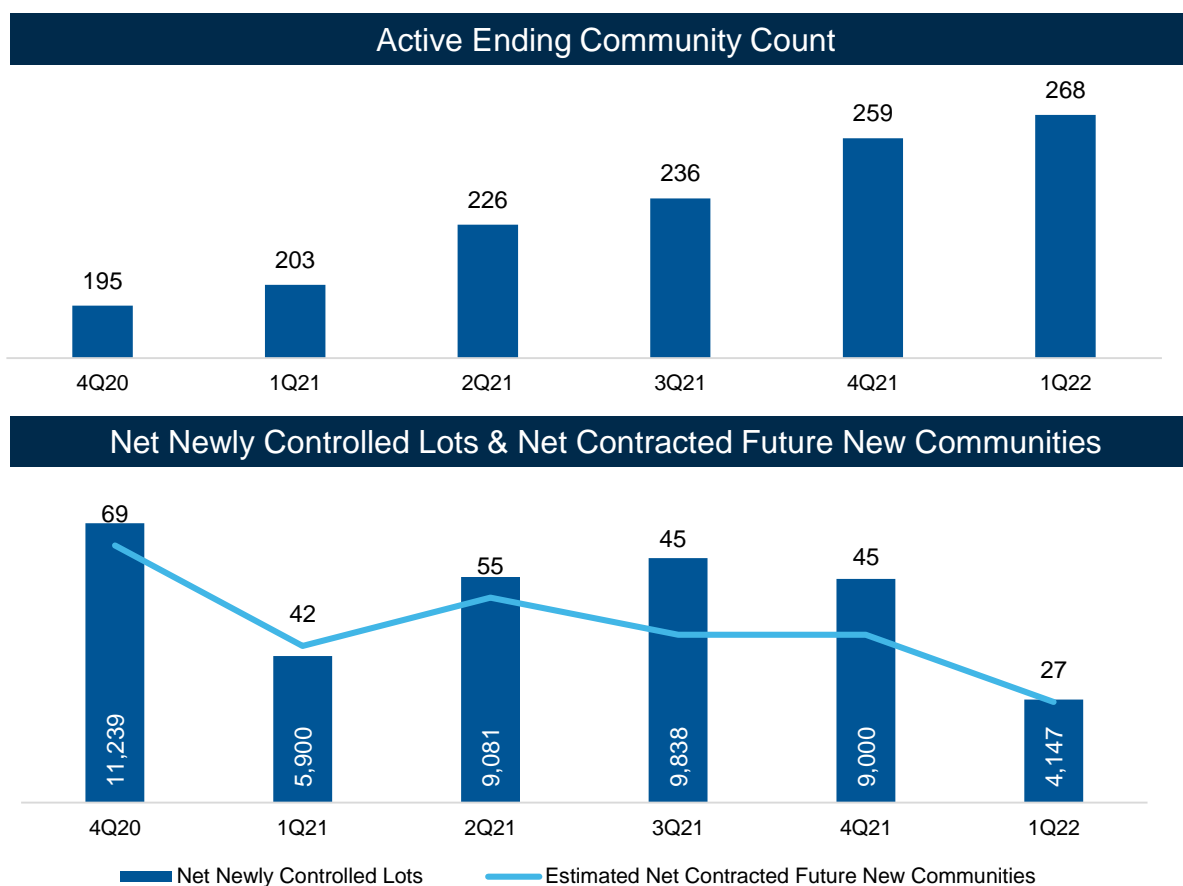
- \$520M of cash
- Nothing drawn under \$780M credit facility
- Continued low net debt to capital

Capital usage in 2022:

- \$294M increase in inventory
- Repurchased over 1M shares for \$99.3M

LAND & DEVELOPMENT INVESTMENT

Real Estate Assets	1Q22	1Q21
Land & development spending	\$371M	\$370M
As of period ended Mar-31:		
Total lots controlled	75,176	58,085
Supply of lots (years)	5.9*	4.7
- Owned	65%	60%
- Optioned	35%	40%



Meritage had 268 active communities at March 31, 2022, a 32% increase from 203 at March 31, 2021

* 5.0 years with forward looking 2022 closing guidance

GUIDANCE

FULL YEAR 2022

- 14,500-15,500 home closings
- \$6.5-6.9 billion home closing revenue
- Home closing gross margin in the low 28% range
- Effective tax rate of approximately 25.0%
- Diluted EPS \$26.30-27.90
- Community count growth of 15-20%

2Q 2022

- 3,000-3,200 home closings
- \$1.3-1.4 billion home closing revenue
- Home closing gross margin in the high 29% range
- Effective tax rate of approximately 25.0%
- Diluted EPS \$5.60-6.10

WELL POSITIONED IN A RISING RATE ENVIRONMENT

Focus on entry-level & first move-up

Community count increase and accelerated starts

Simplified process through pre-started inventory

Healthy land position and prudent land playbook

Flexible balance sheet



Meritage
Homes®

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for energy-efficient homes®