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**First Quarter 2016
Analyst Conference Call
April 28, 2016**

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 future revenue and earnings growth, estimated projected home orders closings and home closing revenue for the year 2016, and the Company's strategy to develop communities with higher densities, lower price points and the same or better net margins.

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 and cost 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 us or our homebuyers; reversal of the current economic recovery; the ability of our potential buyers to sell their existing homes; cancellation rates; inflation in the cost of materials used to develop communities and construct homes; the adverse effect of slower order absorption rates; impairments of our real estate inventory; 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 potential exposure to natural disasters or severe weather conditions; competition; construction defect and home warranty claims; adverse legal rulings; failures in health and safety performance; 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; changes in or our failure to comply with, laws and regulations; limitations of our geographic diversification; fluctuations in quarterly operating results; our level of indebtedness; our ability to obtain financing; our ability to successfully integrate acquired companies and achieve anticipated benefits from these 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; legislation relating to energy and climate change; the replication of our energy efficient 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, 2015 and subsequent quarterly reports on Forms 10-Q under the caption "Risk Factors," which can be found on our website.

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Management Representatives

Steven J. Hilton – Chairman & CEO

Phillippe Lord – EVP & Chief Operating Officer

Hilla Sferruzza – EVP & Chief Financial Officer

Brent Anderson – VP Investor Relations

First quarter 2016 highlights

(% comparisons 1Q16 vs 1Q15)

Net earnings +28%

Diluted EPS +25%

Earnings before taxes +14%

Home closing gross profit +8%

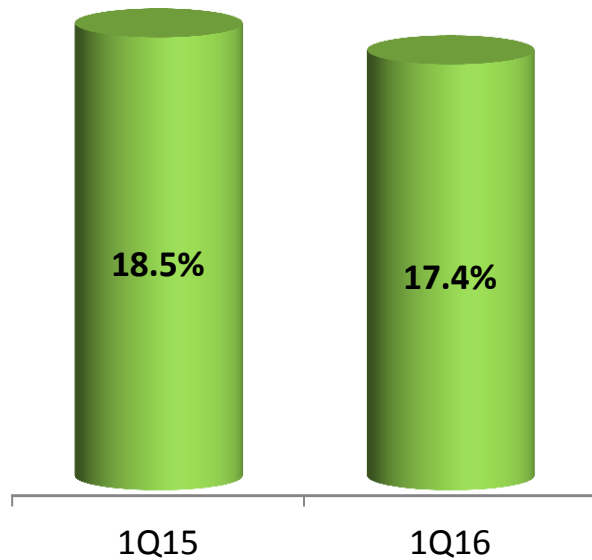
(GM% -110 bps)

Home closing revenue +15%

(closings +11%; ASP +3%)

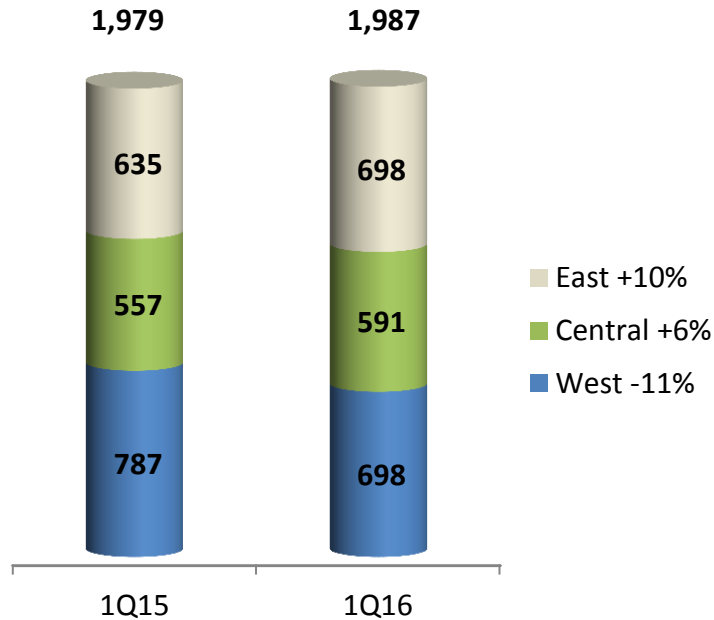
- ✓ East region improved
- ✓ Houston exceeding expectations
- ✓ Backlog value up 21%
- ✓ On track for 7,000-7,500 closings in FY 2016

Home closing gross margin decline expected



- ✓ Land prices higher
- ✓ Labor costs higher
- ✓ Closings from communities hurt by reduced FHA loan limits in West region

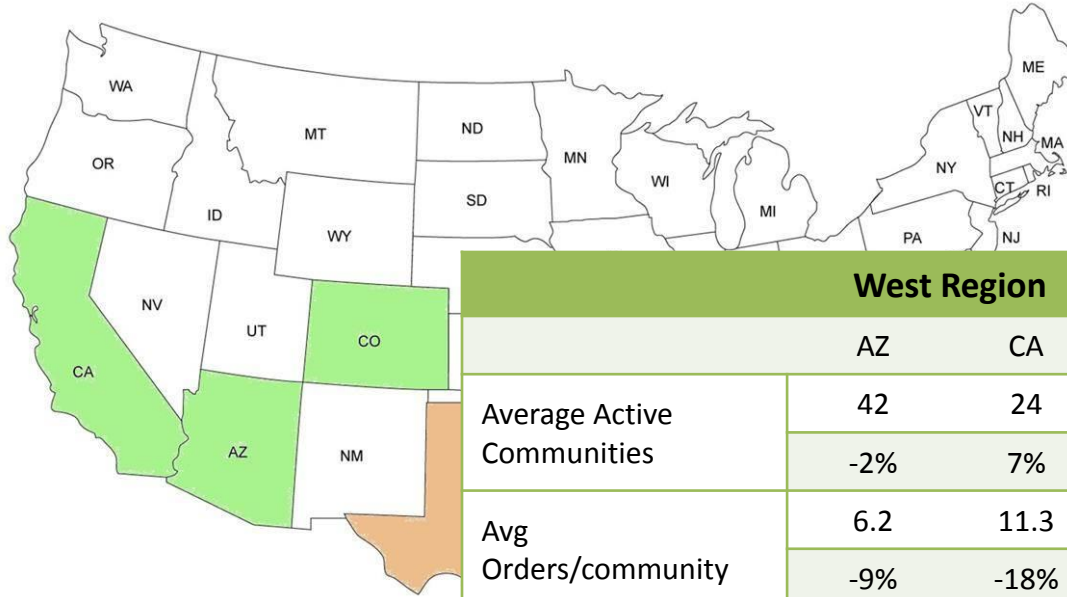
First quarter order comparisons difficult



- Early close-outs of high-volume communities
- Metering sales in Northern CA and CO

West region orders statistics

Percentage (%) changes 1Q16 vs. 1Q15

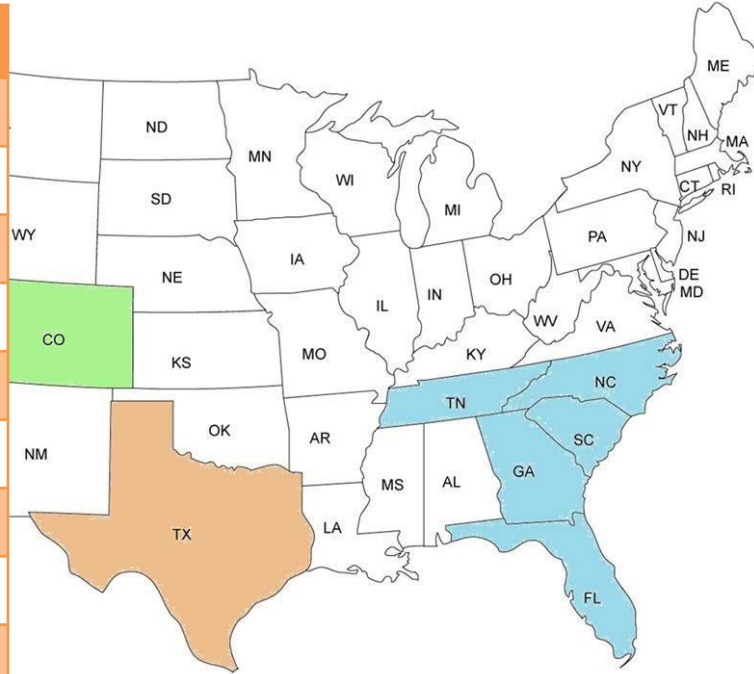


West Region				
	AZ	CA	CO	Region
Average Active Communities	42	24	15	81
	-2%	7%	-9%	-1%
Avg Orders/community	6.2	11.3	11.3	8.7
	-9%	-18%	-2%	-10%
Orders	-10%	-13%	-11%	-11%
Order Value	--	-15%	+1%	-7%
Backlog	+22%	-5%	+10%	+8%
Backlog Value	+41%	-1%	+23%	+16%

Central region orders statistics

Percentage (%) changes 1Q16 vs. 1Q15

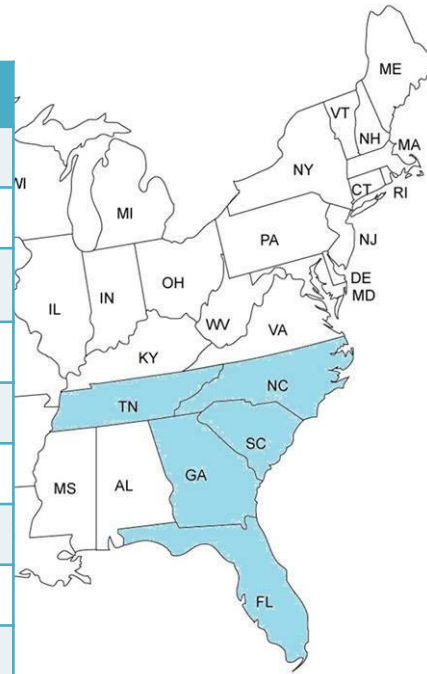
Central Region	
	TX
Average Active Communities	71
	+18%
Avg Orders/ community	8.3
	-11%
Orders	+6%
Order Value	+17%
Backlog	+10%
Backlog Value	+19%



East region orders statistics

Percentage (%) changes 1Q16 vs. 1Q15

East Region						
	FL	GA	NC	SC	TN	Region
Average Active Communities	27	18	25	17	9	96
	-2%	+35%	+14%	-15%	+80%	+9%
Avg Orders/ community	8.4	6.0	7.6	6.3	7.8	7.3
	-7%	+2%	+13%	+31%	-41%	--
Orders	-8%	+36%	+28%	+11%	+6%	+10%
Order Value	-15%	+45%	+25%	+16%	+12%	+7%
Backlog	+16%	+73%	+36%	+42%	+37%	+33%
Backlog Value	+6%	+84%	+46%	+39%	+59%	+31%



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First quarter earnings components

(\$ in millions except ASP)	1Q16	1Q15	Chg
Home closings	1,488	1,335	11%
ASP	\$400	\$387	3%
Home closing revenue	\$595,617	\$517,273	15%
Home closing gross margin	17.4%	18.5%	-110 bps
Home closing gross profit	\$103,347	\$95,487	8%
Commissions and other sales costs	46,177	41,612	11%
-- as a percent of home closing revenue	7.8%	8.0%	-20 bps
General and administrative expenses	29,618	29,650	--
-- as a percent of total closing revenue	5.0%	5.7%	-70 bps
Earnings before income taxes	\$28,885	\$25,297	+14%
-- effective tax rate	27%	35%	-800 bps
Net earnings	\$20,969	\$16,400	+28%
Diluted EPS	\$ 0.50	\$ 0.40	+25%

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Energy tax credits provide return on expenditures

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Home closing revenue	\$595,617	\$517,273	15%
Home closing gross margin	17.4%	18.5%	-110 bps
Home closing gross profit			8%
Commissions and other sales costs			11%
-- as a percent of home closing revenue			-20 bps
General and administrative expenses			--
-- as a percent of total closing revenue			-10 bps
Earnings before income taxes			+14%
-- effective tax rate	27%	35%	-800 bps
Net earnings	\$20,969	\$16,400	+28%
Diluted EPS	\$ 0.50	\$ 0.40	+25%

Statutory tax rate 35%

MTH Effective rates:

2013A	30%
2014A	32%
2015A	32%
2016P	32%

Maintaining strong balance sheet while investing for future growth

Statistics	1Q16	1Q15
Closings from spec inventory	39%	43%
Unsold homes (specs) :	1,160	1,120
Under construction	65%	55%
Completed	35%	45%
Land & development spending	\$190M	\$154M
Lot supply	28,429	29,303
Real estate inventory	\$2,219	\$2,098

Net debt-to-capital (non-GAAP)	(\$millions) Three months ended:	
	Mar-31, 2016	Dec-31, 2015
Notes payable and other borrowings	\$ 1,119	\$ 1,117
Less: cash and cash equivalents	(172)	(262)
Net debt	\$ 947	\$ 855
Stockholders' equity	1,284	1,259
Total capital	\$ 2,232	\$ 2,114
Net debt-to-capital	42.4%	40.4%

Summary

- ✓ Strong earnings growth
- ✓ New markets in East region improving
- ✓ Solid demand and well positioned for growth
- ✓ On track for 7,000-7,500 closings FY16 with 1Q16 closings and backlog
- ✓ Intentionally expanding first-time buyer segment with unique product offering

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