
Section 1: 8-K (8-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported) March 21, 2018

MERITAGE HOMES CORPORATION

(Exact Name of Registrant as Specified in Charter)

Maryland

1-9977

86-0611231

(State or Other Jurisdiction
of Incorporation)

(Commission File
Number)

(IRS Employer
Identification No.)

8800 E. Raintree Drive, Suite 300, Scottsdale, Arizona 85260

(Address of Principal Executive Offices) (Zip Code)

(480) 515-8100

(Registrant's telephone number, including area code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities and Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards

pursuant to Section 13 (a) of the Exchange Act. □

ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS

On March 21, 2018, the Company entered into an additional long-term incentive award opportunity with Steven J. Hilton, Chairman and CEO effective January 1, 2018. In addition, the Company increased certain components of compensation for Phillippe Lord, Executive Vice President and COO, Hilla Sferruzza, Executive Vice President and CFO, C. Timothy White, Executive Vice President and General Counsel and Javier Feliciano, Executive Vice President and Chief Human Resources Officer as allowed by each of their respective employment agreements.

Following is a description of the changes in compensation for each executive. The descriptions contained in this Form 8-K are qualified in their entirety by the terms of the actual agreements filed herewith as exhibits to this Form 8-K and incorporated by reference herein.

CEO Compensation

The Company entered into an additional long-term incentive award opportunity with Steven J. Hilton effective January 1, 2018, which consists of two equity delivery vehicles: where 50% of the long-term award opportunity will be provided through a performance-based award based on a single performance metric and 50% through a service-based award conditioned upon continuing employment for Mr. Hilton, as outlined below. These awards are subject to a three-year cliff vesting schedule and are subject to acceleration in certain events.

Executive Officer	Target Value of Performance Based Award (1)	Value of Restricted Stock Unit Award	Total Value of Additional Long-Term Incentive Award Opportunity
Steven J. Hilton, Chairman and CEO	\$750,000	\$750,000	\$1,500,000

(1) The number of shares are payable in an amount ranging from 0% - 150% of the target number of shares awarded, depending on the level of achievement of the specified performance goal.

Cash Compensation

The base salary for Ms. Sferruzza and Messrs. White, Lord and Feliciano were increased effective January 1, 2018. In addition, the target annual cash incentive bonus for Ms. Sferruzza and Messrs. Lord and Feliciano were increased and the payout range for the target bonus was increased for Messrs. Lord and Feliciano. These revisions are reflected in the tables below:

Executive Officer	Revised Base Salary
Hilla Sferruzza	\$575,000
C. Timothy White	\$550,000
Phillippe Lord	\$650,000
Javier Feliciano	\$340,000

Executive Officer	Revised Target Annual Cash Incentive Bonus	Revised Payout Range as % of Target Bonus
Hilla Sferruzza	\$718,750	N/A (1)
Phillippe Lord	\$1,300,000	0% - 200%
Javier Feliciano	\$212,500	0% - 200%

(1) The payout range for Ms. Sferruzza was unchanged from her previous compensation arrangement.

FROM: Ray Oppel, Chairman of the Compensation Committee (the "Committee")

DATE: March 21, 2018

RE: Notice of Additional LTI Opportunity and Additional Restricted Stock Unit Award ("Notice")

Reference is made to that certain employment agreement (the "Employment Agreement"), effective January 1, 2017, concerning the employment and compensation of Steven J. Hilton, the Company's Chief Executive Officer ("Executive").

I. Additional Long-Term Incentive Opportunity

Under the Employment Agreement, the Executive's annual Performance Share Award (PSA) is a target number of shares with a fair market value on the date of grant worth \$1,000,000. The PSA has a three year performance period. The PSA that is payable for the performance period, if any, shall be an amount ranging from 0% to 150% of the target number of shares, contingent on the achievement of one or more performance goals established by the Committee.

The Committee hereby is notifying the Executive that it is exercising its discretion to grant to Executive an Additional Performance Share Award (the "APSA"), which is an award over and above the PSA required under the Executive's Employment Agreement. This APSA is subject to the following rules:

- A. The APSA is being granted under the Stock Incentive Plan, giving the Executive the right to receive shares of common stock of the Company ("Shares") based on a target specified in paragraph C, below and subject to the achievement of certain performance goals.
- B. The Performance Period for the APSA shall be the three year period beginning on January 1, 2018.
- C. A target number of Shares with a fair market value on the date of grant, based on the closing price of the Company's stock on such date, of \$750,000 shall be established for the APSA for the Performance Period. The APSA that is payable, if any, shall be an amount ranging from 0% to 150% of the target number of Shares, contingent on the achievement of one or more performance goals established by the Committee for the Performance Period, as described in paragraph D, below. Notwithstanding the foregoing, the maximum number of shares deliverable pursuant to any APSA shall not exceed the maximum number of shares that could be granted during a calendar year under the Stock Incentive Plan.
- D. The Committee shall, in its sole discretion, establish in writing one or more pre-established, objective performance goals for the APSA. Such performance goal(s) shall state, in terms of an objective formula or standard, the amount of the target number of Shares determined under paragraph C payable to Executive upon achievement of each such performance goal (or any specified threshold, intermediate, target, maximum or other level with respect thereto).
- E. This APSA grant shall be subject to the terms and conditions of, the Stock Incentive Plan. If there is any conflict between the provisions of this Notice and the Stock Incentive Plan or any award agreement, this Notice shall control.
- F. The APSA shall be settled by delivery of whole Shares (with cash for any fractional share) to Executive at the time(s) determined by the Committee in its reasonable discretion, provided that such Shares shall be delivered (and such cash, if any, shall be paid) no later than March 15, 2021.

II. Additional Restricted Stock Unit Award

Under the Employment Agreement, the Executive's annual Restricted Stock Unit Award (RSU) is a target number of shares with a fair market value on the date of grant worth \$1,000,000. The RSU has a three year time-based vesting period that begins on January 1 of the calendar year in which the RSU is granted.

The Committee hereby is notifying the Executive that it is exercising its discretion to grant to Executive an Additional Restricted Stock Award (the "ARSU"), which is an award over and above the RSU required under the Executive's Employment Agreement. This ARSU is subject to the following rules:

- A. The ARSU is being granted under the Stock Incentive Plan, giving the Executive the right to receive shares of common stock of the Company ("Shares").
- B. The Vesting Period for the ARSU shall be the three year period beginning on January 1, 2018 and ending on December 31, 2020.
- C. A target number of Shares with a fair market value on the date of grant, based on the closing price of the Company's stock on such date, of \$750,000 shall be established for the ARSU. Notwithstanding the foregoing, the maximum number of shares deliverable pursuant to any ARSU shall not exceed the maximum number of shares that could be granted during a calendar year under the Stock Incentive Plan.
- D. This ARSU grant shall be subject to the terms and conditions of, the Stock Incentive Plan. If there is any conflict between the provisions of this Notice and the Stock Incentive Plan or any award agreement, this Notice shall control.
- E. The ARSU shall be settled by delivery of whole Shares (with cash for any fractional share) to Executive at the time(s) determined by the Committee in its reasonable discretion, provided that such Shares shall be delivered (and such cash, if any, shall be paid) no later than March 15, 2021.

III. Effect of Termination of Employment or Change in Control on APSA and ARSU Awards

The special vesting and payment provisions that apply to Performance Share Awards and Restricted Stock Units in (i) the Employment Agreement and (ii) the Third Amended and Restated Change in Control Agreement between Executive and the Company, effective January 1, 2010, as thereafter amended (the "CIC Agreement"), shall apply to the APSA and ARSU Awards hereunder. Thus, for example, in the event the Executive's employment with the Company terminates due to death or Disability, the APSA and ARSU Awards granted hereunder will be subject to the special vesting and payment provisions set forth in Section 7(e) (ii) of the Employment Agreement.

* * * * *

Both the Employment Agreement and the CIC Agreement remain in full force and effect. This Notice does not, nor is it intended to, amend either the Employment Agreement or the CIC Agreement.

COMPENSATION COMMITTEE

/s/ Ray Oppel

By: Ray Oppel
Chairman of the Compensation Committee

Receipt of this Notice is hereby acknowledged by the Executive on the date set forth below:

/s/ Steven J. Hilton

Executive

March 21, 2018

Date

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Section 3: EX-10.2 (EXHIBIT 10.2)

Exhibit 10.2

TO: Tim White

FROM: Ray Oppel, Chairman of the Compensation Committee (the "Committee")

DATE: March 21, 2018

RE: Notice of Approved 2018 Compensation ("Notice")

Reference is made to that certain employment agreement (the "Employment Agreement"), effective January 1, 2017, concerning the employment and compensation of C. Timothy White, the Company's Executive Vice President, General Counsel and Secretary ("Executive").

Base Salary Adjustment

As provided in the Employment Agreement, the Executive's base salary is subject to annual review and may, in the Committee's discretion, be increased without the Executive's consent. With respect to the Executive, the Committee has reviewed Executive's base salary and concluded that it is appropriate to increase Executive's base salary for the Company's 2018 fiscal year to \$550,000.

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Except as specifically expressed in this Notice, the Employment Agreement shall remain in full force and effect. To the extent there is any contradiction or inconsistency between the terms of this Notice and the terms of the Employment Agreement, the terms and intended effect of this Notice shall control.

COMPENSATION COMMITTEE

/s/ Ray Oppel

By: Ray Oppel
Chairman of the Compensation Committee

/s/ C. Timothy White

Executive

March 21, 2018

Date

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Section 4: EX-10.3 (EXHIBIT 10.3)

Exhibit 10.4

TO: Hilla Sferruzza

FROM: Ray Oppel, Chairman of the Compensation Committee (the "Committee")

DATE: March 21, 2018

RE: Notice of Approved 2018 Compensation ("Notice")

Reference is made to that certain employment agreement (the "Employment Agreement"), effective January 1, 2017, concerning the employment and compensation of Hilla Sferruzza, the Company's Executive Vice President and Chief Financial Officer ("Executive").

Base Salary Adjustment

As provided in the Employment Agreement, the Employee's base salary is subject to annual review and may, in the Committee's discretion, be increased or decreased under the Company's standard compensation policies for executive-level employees. With respect to the Executive, the Committee has reviewed Executive's base salary and concluded that it is appropriate to adjust Executive's base salary for the Company's 2018 fiscal year to \$575,000.

Annual Bonus Adjustment

Under Executive's Employment Agreement, the Executive's Target Bonus is set at a minimum amount of \$525,000 for the Company's 2018 fiscal year - or such greater amount as may be provided in a written notice to the Executive from the Committee. Moreover, the Executive's actual Bonus for a fiscal year is an amount ranging from 0% to 200% of the Target Bonus (or such upper percentage limit as otherwise established in writing by the Committee), contingent upon the achievement of one or more performance goals established by the Committee.

Accordingly, this is to provide notice to the Executive that Executive's Target Bonus for the Company's 2018 fiscal year is being adjusted to \$718,750 and actual Bonus will be an amount ranging from 0% to 200% of the Target Bonus. Thus, the maximum Bonus payable to the Executive for the 2018 fiscal year will be \$1,437,500 (i.e., 200% of the Target Bonus).

Performance Share Award

Under Executive's Employment Agreement, the Executive's annual Performance Share Award is a target number of shares with a fair market value on the date of grant worth a minimum of \$393,750 or such greater amount as may be provided to Executive in a written notice from the Committee. The PSA has a three year performance period. The PSA that is payable for the performance period, if any, shall be an amount ranging from 0% to 150% of the target number of shares, contingent on the achievement of one or more performance goals established by the Committee.

Accordingly, this is to provide notice to the Executive that Executive's PSA target for the 2018 fiscal year will be based on a grant value of \$575,000; the PSA payable with respect to such grant shall be in the 0% to 150% range of the target.

Performance-Based Restricted Stock Units

Under Executive's Employment Agreement, the Executive's annual Performance-Based Restricted Stock Unit Award is a target number of shares with a fair market value on the date of grant worth a minimum of \$393,750 or such greater amount as may be provided to Executive in a written notice from the Committee. The Performance-Based Restricted Stock Unit Award has a three year performance period.

Accordingly, this is to provide notice to the Executive that Performance-Based Restricted Stock Unit Award for the 2018 fiscal year will be based on a grant value of \$575,000.

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Except as specifically expressed in this Notice, the Employment Agreement shall remain in full force and effect. To the extent there is any contradiction or inconsistency between the terms of this Notice and the terms of the Employment Agreement, the terms and intended effect of this Notice shall control.

COMPENSATION COMMITTEE

/s/ Ray Oppel

By: Ray Oppel

Chairman of the Compensation Committee

/s/ Hilla Sferruzza

Executive

March 21, 2018

Date

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Section 5: EX-10.4 (EXHIBIT 10.4)

Exhibit 10.3

TO: Philippe Lord

FROM: Ray Oppel, Chairman of the Compensation Committee (the "Committee")

DATE: March 21, 2018

RE: Notice of Approved 2018 Compensation ("Notice")

Reference is made to that certain employment agreement (the "Employment Agreement"), effective January 1, 2017 (as thereafter amended), concerning the employment and compensation of Phillippe Lord, the Company's Executive Vice President and Chief Operating Officer ("Executive").

Base Salary Adjustment

As provided in the Employment Agreement, the Employee's base salary is subject to annual review and may, in the Committee's discretion, be increased or decreased under the Company's standard compensation policies for executive-level employees. With respect to the Executive, the Committee has reviewed Executive's base salary and concluded that it is appropriate to adjust Executive's base salary for the Company's 2018 fiscal year to \$650,000.

Annual Bonus Adjustment

Under Executive's Employment Agreement, the Executive's Target Bonus is set at a minimum amount of \$1,100,000 for the Company's 2018 fiscal year - or such greater amount as may be provided in a written notice to the Executive from the Committee. Moreover, the Executive's actual Bonus for a fiscal year is an amount ranging from 0% to 170.5% of the Target Bonus (or such upper percentage limit as otherwise established in writing by the Committee), contingent upon the achievement of one or more performance goals established by the Committee.

Accordingly, this is to provide notice to the Executive that Executive's Target Bonus for the Company's 2018 fiscal year is being adjusted to \$1,300,000 and actual Bonus will be an amount ranging from 0% to 200% of the Target Bonus. Thus, the maximum Bonus payable to the Executive for the 2018 fiscal year will be \$2,600,00 (i.e., 200% of the Target Bonus).

Performance Share Award

Under Executive's Employment Agreement, the Executive's annual Performance Share Award is a target number of shares with a fair market value on the date of grant worth a minimum of \$625,000 or such greater amount as may be provided to Executive in a written notice from the Committee. The PSA has a three year performance period. The PSA that is payable for the performance period, if any, shall be an amount ranging from 0% to 150% of the target number of shares, contingent on the achievement of one or more performance goals established by the Committee.

Accordingly, this is to provide notice to the Executive that Executive's PSA target for the 2018 fiscal year will be based on a grant value of \$975,000; the PSA payable with respect to such grant shall be in the 0% to 150% range of the target.

Performance-Based Restricted Stock Units

Under Executive’s Employment Agreement, the Executive’s annual Performance-Based Restricted Stock Unit Award is a target number of shares with a fair market value on the date of grant worth a minimum of \$625,000 or such greater amount as may be provided to Executive in a written notice from the Committee. The Performance-Based Restricted Stock Unit Award has a three year performance period.

Accordingly, this is to provide notice to the Executive that Performance-Based Restricted Stock Unit Award for the 2018 fiscal year will be based on a grant value of \$975,000.

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Except as specifically expressed in this Notice, the Employment Agreement shall remain in full force and effect. To the extent there is any contradiction or inconsistency between the terms of this Notice and the terms of the Employment Agreement, the terms and intended effect of this Notice shall control.

COMPENSATION COMMITTEE

/s/ Ray Oppel
By: Ray Oppel
Chairman of the Compensation Committee

/s/ Philippe Lord
Executive

March 21, 2018
Date

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Section 6: EX-10.5 (EXHIBIT 10.5)

Exhibit 10.5

TO: Javier Feliciano

FROM: Ray Oppel, Chairman of the Compensation Committee (the “Committee”)

DATE: March 21, 2018

RE: Notice of Approved 2018 Compensation (“Notice”)

Reference is made to that certain employment agreement (the "Employment Agreement"), effective January 1, 2017, concerning the employment and compensation of Javier Feliciano, the Company's Executive Vice President and Chief Human Resources Officer ("Executive").

Base Salary Adjustment

As provided in the Employment Agreement, the Employee's base salary is subject to annual review and may, in the Committee's discretion, be increased or decreased under the Company's standard compensation policies for executive-level employees. With respect to the Executive, the Committee has reviewed Executive's base salary and concluded that it is appropriate to adjust Executive's base salary for the Company's 2018 fiscal year to \$340,000.

Annual Bonus Adjustment

Under Executive's Employment Agreement, the Executive's Target Bonus is set at a minimum amount of \$200,000 for the Company's 2018 fiscal year - or such greater amount as may be provided in a written notice to the Executive from the Committee. Moreover, the Executive's actual Bonus for a fiscal year is an amount ranging from 0% to 133% of the Target Bonus (or such upper percentage limit as otherwise established in writing by the Committee), contingent upon the achievement of one or more performance goals established by the Committee.

Accordingly, this is to provide notice to the Executive that Executive's Target Bonus for the Company's 2018 fiscal year is being adjusted to \$212,500 and actual Bonus will be an amount ranging from 0% to 200% of the Target Bonus. Thus, the maximum Bonus payable to the Executive for the 2018 fiscal year will be \$425,000 (i.e., 200% of the Target Bonus).

Performance Share Award

Under Executive's Employment Agreement, the Executive's annual Performance Share Award is a target number of shares with a fair market value on the date of grant worth a minimum of \$184,000 or such greater amount as may be provided to Executive in a written notice from the Committee. The PSA has a three year performance period. The PSA that is payable for the performance period, if any, shall be an amount ranging from 0% to 150% of the target number of shares, contingent on the achievement of one or more performance goals established by the Committee.

Accordingly, this is to provide notice to the Executive that Executive's PSA target for the 2018 fiscal year will be based on a grant value of \$212,500; the PSA payable with respect to such grant shall be in the 0% to 150% range of the target.

Performance-Based Restricted Stock Units

Under Executive's Employment Agreement, the Executive's annual Performance-Based Restricted Stock Unit Award is a target number of shares with a fair market value on the date of grant worth a minimum of \$184,000 or such greater amount as may be provided to Executive in a written notice from the Committee. The Performance-Based Restricted Stock Unit Award has a three year performance period.

Accordingly, this is to provide notice to the Executive that Performance-Based Restricted Stock Unit Award for the 2018 fiscal year will be based on a grant value of \$212,500.

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Except as specifically expressed in this Notice, the Employment Agreement shall remain in full force and effect. To the extent there is any contradiction or inconsistency between the terms of this Notice and the terms of the Employment Agreement, the terms and intended effect of this Notice shall control.

COMPENSATION COMMITTEE

/s/ Ray Oppel

By: Ray Oppel

Chairman of the Compensation Committee

/s/ Javier Feliciano

Executive

March 21, 2018

Date

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